UNITED NATIONS

A

General Assembly

PROVISIONAL

A/S-18/PV.8
15 May 1990

ENGLISH

Eighteenth special session

GENERAL ASSEMBLY

PROVISIONAL VERBATIM RECORD OF THE EIGHTH MEETING

Held at Headquarters, New York,
on Friday, 27 April 1990, at 3 p.m.

President: Mr. FEYDER (Luxembourg)
(Vice-President)

later: Mr. TSOKODAYI (Zimbabwe)
(Vice-President)

Mr. HUSLID (Norway)
(Vice-President)

- General debate [8] and [9] (continued)

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In the absence of the President, Mr. Feyder (Luxembourg), Vice-President, took the Chair.

The meeting was called to order at 3.15 p.m.

AGENDA ITEMS 8 AND 9 (continued)

GENERAL DEBATE

Mr. AL-SHAALI (United Arab Emirates) (interpretation from Arabic): I am delighted to express again, on behalf of the delegation of the United Arab Emirates, congratulations to Ambassador Joseph Garba on his election as President of this special session of the General Assembly. I am also very pleased to welcome again the accession of the delegation of Namibia to membership of the United Nations.

This special session devoted to economic issues is being convened at a time in which we urgently need to review the international economic situation. Experts are warning that the economies of the developing countries are steadily deteriorating and that the number of countries living at the subsistence level is increasing, not to mention the worsening terms of trade between the developing and developed countries.

In his report, the Secretary-General has pointed out that the rate of growth in many parts of the world was slower in the 1980s than in the 1970s and the 1960s. If international economic relations remain as they are, prospects for the 1990s do not auger well either.

Political changes in the world have opened vast potentials for mankind. Those energies and talents had been misdirected in the past because of ideological rivalries and political conflicts.

(Mr. Al-Shaali, United Arab Emirates)

Present developments place us on firmer ground. It is safe to say that all countries, regardless of their orientation, can achieve progress and attain more stability if they utilize their potential towards co-operation instead of for competition. To that end, all countries and individuals must shoulder their common responsibilities and stand together in defending the right to a better life.

(Mr. Al-Shaali, United Arab Emirates)

The world is fast becoming one interdependent entity. Every day new barriers fall to reveal new potential. The fact that some still cling to the gains they have made at the expense of others, and the persistence of the developed countries to pursue unilateral economic policies are evident reflections of a lack of perception on their part, or of their selfish attitude.

That the arms race continues today cannot be justified. It has already resulted in the plunder of a great deal of mankind's resources and ingenuity that should have been diverted towards development. Rising expenditures on armaments and on investment and research in the field of armament are a major drain on the limited resources available for millions of third world children who are languishing in the throes of hunger. Nor is this expenditure compatible with the current qualitative change in international relations.

The deteriorating situation experienced by most developing countries is not a matter of choice. These countries entered the twentieth century under colonial rule, and it is no exaggeration to say that colonialism contributed to the plundering of their economic and cultural resources. When the colonial countries attained independence, they were faced with a highly competitive international market in which the prices of primary commodities had declined sharply in comparison with those of manufactured goods, at a time when these countries lacked the technological and scientific potential to match the competition. Thus, they were pushed into the poverty trap. The development process is one of historic accumulation. It is not a political option. Therefore the developed countries are partly responsible for the backwardness of the developing nations.

While we support the proposal discussed in the Preparatory Committee to allocate 0.7 per cent of the gross national product of developed countries towards assisting the developing countries, with 0.15 per cent allocated to the least

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(Mr. Al-Shaali, United Arab Emirates)

developed countries, we continue to believe that these figures in themselves are insufficient. They must be associated with comprehensive programmes aimed at systematically tackling the urgent problems of the developing world. The following aspects should be given special attention:

First, the problem of debt has become the heaviest burden of the developing nations, obliging them to divert a very large part of their income towards servicing external debt.

Secondly, adequate prices for primary commodities are vital for the economies of most developing countries. Therefore, an improvement in commodity prices and access to the markets of developed countries, in accordance with each State's comparative advantage, are a must. The two factors are closely related to the developing countries' access to advanced technology by the developing nations, in particular in agriculture.

Thirdly, financial flows from the developing to the developed countries must be checked, since such negative transfers deplete the resources of developing nations. This can be achieved through the implementation of investment projects in the developing regions.

Fourthly, there must be control of the fluctuations of monetary markets through further regulations on exchange rates, in particular those relating to the currencies of developing countries.

Fifthly, the transfer of technology and assistance to the beneficiary countries through the provision of experts must be facilitated.

Sixthly, trade must be facilitated and the protectionist measures hampering the exports of developing countries eliminated.

Seventhly, information can play a vital role in mobilizing support for the developing countries, creating awareness of their economic situation and promoting

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their products. Since the major mass media in the world are concentrated in the developed countries, these must direct the media to play a role in enhancing the economic development of developing countries.

Eighthly, special care must be taken in handling the critical situation in Africa.

Those are some of the aspects we believe are critical to the formulation of comprehensive programmes for development co-operation. There is no denying that bilateral economic co-operation too plays an important part in the success of development programmes. However, the economic backwardness of the developing countries, in our view, has to do with social and political instability as well - a situation that has been greatly influenced by external political factors. Therefore, the developing countries must adopt a positive approach with regard to these problems, taking advantage of the new favourable international climate. Economic development can be achieved only within a framework of political participation and social stability.

We also hold that external factors, the international economic environment and economic co-operation are among the most determining factors in development. Yet the definite denominator of economic growth is an internal one. This element must always be kept in mind in the formulation of any programmes and policies or the carrying out of activities that every State deems appropriate to its circumstances and priorities.

We in the United Arab Emirates believe in the importance of co-operation among developing countries. Despite the fact that our country is dependent on one primary commodity, namely, oil, my Government, since independence in 1971, has earmarked a large part of national income to assisting developing countries in Africa and Asia, whether through direct aid and loans or through the Abu Dhabi

(Mr. Al-Shaali, United Arab Emirates)

Development Fund, which was established for this very purpose. The Fund has contributed either directly or in co-operation with other Arab Funds to the implementation of hundreds of projects in African and Asian countries. Most of its activity is focused on the least developed countries. There is not sufficient time to elaborate here; suffice it to say that at the end of the 1970s my country was acknowledged to be among the largest donors in the world.

Today, despite the collapse of its oil market and the sharp decline in national income, my country continues to carry out its programmes of economic assistance. In this, we are guided by the values which, as human beings, lead us to believe that happiness cannot be achieved except through collective co-operation. The more advantaged have a duty to shoulder their responsibility and to support those less fortunate than themselves so that they may be able to rebuild their economies.

Much has been said during the deliberations at this session. The Preparatory Committee made great efforts to arrive at a consensus, and we hoped that this special session would provide us with an historic opportunity to correct the imbalance in international economic relations. Now that the session is drawing to a close, we sense a degree of disappointment as we seem to have failed to forge a common understanding: we continue to be incapable of detecting the possibilities of co-operation available to us.

(Mr. Al-Shaali, United Arab Emirates)

Nevertheless, we still entertain the hope that the developed countries will appreciate the concerns that are being expressed by the developing countries and that they will not let the opportunity provided by the convening of this session pass without achieving a convergence of views - for failure today could mean yet another lost decade for development.

Mr. AHSAN (Bangladesh): I should like to offer warm congratulations to Mr. Garba on his unanimous election to the presidency. His skill and other qualities are well known. We have unshakable confidence that his able stewardship will lead our deliberations to success.

I should also like to extend a special tribute to the Secretary-General, Mr. Javier Perez de Cuellar, for his imaginative leadership of the United Nations system, which has made it possible to find solutions to many problems that appeared intractable for a long time. We are confident of a similar breakthrough in respect of outstanding international economic issues which have brought us together at this time.

We warmly welcome independent Namibia as a full Member of the United Nations, and we look forward to continuing to work together in the promotion of our common objectives.

The special session is taking place against the backdrop of rapidly evolving political change. Some of the changes are propitious, but much of what has been achieved will come to naught is success is wanting in the sphere of development. It is a categorical imperative of our times that development should become a central political concern. The special session must stress this without reserve. It must forge a common understanding, so essential for us to move forward.

The nature of the challenges we confront are complex. Our problems are compounded by the fact that we shall need to care for another 850 million people by

(Mr. Ahsan, Bangladesh)

the turn of the century. These are forbidding prospects. The growing asymmetry in the development patterns of the developed and developing countries is also cause for serious worry.

It is true that previous decades witnessed an uninterrupted spell of steady growth in the developed countries. It is equally true that it has left behind a painful legacy of burgeoning problems for the developing countries. Their poverty remains all pervasive. Their economies are in the midst of profound crisis. Over a billion - a staggering figure - live in absolute poverty. Their countries are tied down by such formidable handicaps as widespread unemployment, scarcity of resources, an acute dearth of investments, the crippling debt burden, and secular decline in terms of trade of mounting tariff barriers.

Ours is an interdependent world. We cannot allow its bifurcation into areas of dynamic growth and areas of perpetual stagnation. That dichotomy is unacceptable, if only because such a world would soon be unlivable. Isolated enclaves of prosperity cannot coexist for long with ever enlarging areas of deprivation and squalor. The perpetuation of such a situation would sooner rather than later endanger the edifice of stability we are trying so hard to erect. There is an urgent need to reverse this trend, on practical, moral and ethical grounds. During this special session we must be able to spur meaningful co-operative action to this end.

Our present theme, the revitalization of growth, was most aptly chosen. Particularly in the developing countries, this calls for a different orientation to our development efforts. This will necessarily entail sustained efforts along a wide front.

The development objective must be put into sharper focus than the theme of adjustment which has long overshadowed it. In most developing countries, major

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adjustment programmes are already under way; there is need for us to ensure that these are buttressed by adequate financial support. They must be tuned to the fundamental transformational needs of these countries. They must take into account social and human dimensions. Also, these need to be undertaken in a sufficiently long time-frame suited to the situations of individual countries.

In this context the special needs of the least-developed countries deserve special attention. There, the situation is definitely worsening. These countries suffer from severe structural handicaps, serious debt-overhang and inadequate development finance. Many of these constraints are of an exogenous character. The problems of this group were most recently reviewed at a ministerial-level meeting in Dhaka in February of this year. I should like to draw the attention of the international community to the Dhaka Declaration that emerged therefrom. Urgent and immediate actions are required to unlock growth in these countries. The outcome of the Second United Nations Conference on Least Developed Countries, due to be held in Paris in September of this year, will be crucial in this respect.

The dismal growth performance in the developing countries in general, and the least-developed countries in particular, has in many ways been the direct consequence of falling investment. If medium- and long-term growth in the developing countries is to pick up, adequate investments are essential. No doubt the developing countries themselves have to play a key role to initiate changes in this direction. However, their capacity is limited. It is incumbent upon the international community to assist the mobilization of resources for the purpose through bilateral and multilateral channels. In this regard it is necessary for the donors to achieve the global official development assistance target for the delevoping countries and for the least-developed countries by the 1990s.

(Mr. Ahsan; Bangladesh)

If we are to move away from the crisis management of the 1980s and achieve transition from adjustment to long-term sustained growth, we must agree on a comprehensive approach to the debt problem of developing countries. Their debt figure has already exceeded $1 trillion. Recent initiatives to address this crisis have been largely piecemeal and inadequate.

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Any comprehensive initiative should be based on a realistic appreciation of the debt problem. It needs to be viewed in the context of the current economic situation, which in its scope and dimension is a global crisis, with the element of debt symptomatic of systemic malaise. Strengthened political will and invigorated leadership will be required for the success of our efforts in this direction.

Revitalization of growth and development in the developing countries also calls for greater access of their products to the developed markets. The unconditional application of most-favoured-nation treatment and commitment to the principle of differential and more favourable treatment of developing countries must remain the cornerstone of a growth-oriented trading system. Operational arrangements for the implementation of those principles should be high on our agenda for the 1990s. Commitments on standstill and roll-back, as they apply to commodities of interest to developing countries, must be fully honoured.

The expansion of commodity earnings of developing countries and improvement in schemes to compensate for the shortfall in their export earnings should also continue to be a major objective of international effort. Support for the diversification of developing countries' economies with a view to insulating them from the vagaries of fluctuation in commodity prices should be accorded high priority.

We recognize the burgeoning threats to our ecosystem. We also recognize that without early major action irreparable damage could be done to our resource bases and natural environment. The problem is fast becoming intractable. The process must be reversed. This must be done with the utmost dispatch, care and circumspection.

However, our zeal in this respect should not constrain the development process itself. We must recognize that improved economic conditions are a sine qua non for improvement in the environment. Poverty has often been at the root of the

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unprecedented exploitation of nature. The elimination of mass poverty must therefore be a priority concern. It is an essential prerequisite for sustained environmental improvement.

There is also an imperative need to reach an understanding on sharing the cost of environmental protection. It has rightly been stressed that meeting global threats to the environment will involve countries with greatly differing ability to pay. Developed industrialized countries must share the major burden and responsibility of environmental protection. They should provide additional resources, environmentally sound technologies and other means of support which would help developing countries in this important area.

It is an axiom that peace and poverty are strange bedfellows. Relaxation of tension in troubled areas should be accompanied by measures to alleviate poverty. Any success that we might achieve in the political sphere would be rendered futile by our failure in the economic arena. We have gathered here to try to avert such an eventuality. This task may be daunting, but it is not insurmountable. It is our belief that our endeavours will not be in vain.

Mr. MBONIMPA (Burundi) (interpretation from French): The delegation of the Republic of Burundi is happy to welcome the admission of a fraternal, friendly State, the Republic of Namibia, to the great family of the United Nations. I join all previous speakers in extending my Government's congratulations to the valiant people of Namibia. I also wish to reiterate the high esteem of my Government for the South-West Africa People's Organization (SWAPO) and its leader, Sam Nujoma, for the long struggle which led to independence.

Our best wishes go to the Namibian people and its leaders as they set out along a path leading to peace, political stability and the economic and social development of their country. Their dearly bought victory would not have been won

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without the support of the international community and the United Nations, and in particular without the commitment and determination of the Secretary-General, Mr. Javier Perez de Cuellar, to whom we pay a well-deserved tribute.

My country takes this opportunity to state that it is fully prepared to co-operate closely with the new State, to which we are bound by many ties of geography, history and culture.

I also wish to extend to the President our congratulations on the confidence the General Assembly has again shown in him by electing him to preside over the current session. I wish him every success in his work. I also thank the Secretary-General and his team for all the measures they have taken to ensure the success of the session.

Lastly, we acknowledge the work of the Preparatory Committee for the special session and its Chairman, Mr. Constantine Zepos, Ambassador of Greece, for the long meetings, both by day and by night, spent preparing the final Declaration of the General Assembly, which we hope will be adopted by consensus.

In 1975, in this very hall, Member States met in special session to debate the economic problems of the time. The developed and developing States reached an agreement enshrining the determination of them all to do their utmost to eliminate the inequality and injustice of which the developing countries were victims. All reaffirmed the urgent need to correct the economic imbalances between the poor and rich countries, with a view to promoting international peace and security. To that end a substantial juridical-institutional arsenal was created to support the implementation of that common will of the world's peoples.

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In 1988, 13 years after the seventh special session, the General Assembly, noting that the promises made were far from having been kept, decided to convene another such session.

Indeed, the initial enthusiasm and euphoria were followed by a phase of disenchantment and dashed hopes.

It is acknowledged by all, however, that it is morally unacceptable for two thirds of mankind to continue to be doomed to an existence of acute hardship and poverty while the rich keep on getting richer. Indeed, whereas the developed countries have had sustained growth, the situation in some developing countries has deteriorated. A report of the United Nations Conference on Trade and Development (UNCTAD) tells us that the number of countries in the least developed category went from 24 in 1971 to 42 in 1990, that the average per capita gross domestic product went from $220 to $200 during the 1980s and that prospects for the current decade are no better.

This failure is the bitter result of a series of factors which can in effect be attributed to the current international economic environment in which the major Powers are the masters of the game and the developing countries are forced to remain powerless to improve their lot.

The drop in price of a large number of commodities, the high level of interest rates in international capital markets, the debt crisis, which has led to a negative transfer of financial resources to the detriment of the developing countries, the strengthening of protectionist barriers and the decline in investments - that is the picture facing the world today, and those are the challenges that should be met by staunch and steadfast economic co-operation.

The discussions that took place during the work of the Preparatory Committee have shown that some developed countries insist on placing responsibility on the

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developing countries which supposedly had not set up adequate economic policies to revitalize their economic growth. Similarly, they gave pride of place to the key role of the developing States in the revitalization of their own economic growth and development.

We recognize, of course, that each and every State is responsible for its economic development policies and for the well-being of its citizens. But without rejecting such an approach outright - one which in fact is based on the exercise of sovereign rights by every State - we should nevertheless bear in mind that the international economic environment has not always been favourable to our countries. More than one speaker has emphasized - and the Secretary General's report on the state of international economic co-operation stresses it - that

> "The economic difficulties of the majority of developing countries in the 1980s have been too widespread and the afflicted countries too diverse for the retrogression to be ascribed merely to poor domestic policy or random shocks to individual countries." (A/AC.233/5, p. 7)

In a bid to correct major imbalances in their economies many countries, including Burundi, have undertaken broad structural adjustment programmes.

Benefiting from the social peace restored as a result of the vigorous action of the President of the Republic, Major Pierre Buyoya, in the context of his policy of consolidation of national unity and reconciliation of all the people of Burundi, the Government of the Third Republic has begun a reform of the economy, with the assistance of friendly countries and organizations. We should like to thank them most earnestly for their comprehensive and generous contributions. However, in spite of the efforts of our population in the context of the structural adjustment programme begun in 1986, the results achieved have been greatly compromised by an unsound economic environment. The drop in earnings from coffee sales and the

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debt-service burden, compounded by other factors inherent in our status of a land-locked country, have undermined the meagre results already achieved under that programme.

As was so rightly pointed out by Mr. Babacar Ndiaye, President of the African Development Bank, in the Assembly on 24 April:

> "If we agree that the fundamental purpose of adjustment is to secure sustained economic growth, then we must also acknowledge that an input of resources is required to make this process successful. Adjustment demands not simply the putting in place of the necessary policies and structures but also moving beyond demand management to ensuring adequate supply responses - and hence providing the material and financial support needed to ensure the sustainability and effectiveness of these policies." (A/S-18/PV.4, pp.167-168)

In spite of such difficult conditions, and precisely because times are hard, Burundi is determined to continue with its economic reform programme while remaining aware of its possible negative impact on the most vulnerable sectors of the economy.

As part of the economic reforms under way, my country has set up mechanisms which should promote investment. An investment code, a reliable banking system, legislation facilitating trade and industrial activities and the elimination of bureaucratic barriers that curb private initiative - those are the mechanisms that should enable Burundi to develop its economy, provided, of course, that the economic environment is favourable and, above all, that the developed countries respect the commitments they entered into 15 years ago to devote 0.7 per cent of their gross national product to official development assistance and to give special attention to the least developed countries.

No country alone is able to fashion the world we live in - a world where all countries are more and more interdependent. In embracing this principle, Africa

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has decided to integrate its economies within the framework of the Lagos Plan of Action. One decade after its adoption, it can be seen that this Plan has not been adequate - but its implementation has given results. We wish to make it quite clear that the goal of an African common market remains inscribed in gold letters in our policies and programmes. We are convinced that the establishment of economic complementarity among developing countries will in the long run provide considerable impetus to the growth and development of our countries.

For its part, Africa has begun step by step to implement economic integration. Begun at the subregional level, this initiative should lead eventually to the economic integration of the entire continent. My country, Burundi, is actively contributing to the success of this enterprise. Thus, in partnership with our immediate neighbours, we have set up the Economic Community of Countries bordering on the Great Lakes, made up of the Republic of Zaire, the Republic of Rwanda and Burundi. With the States of eastern and southern Africa, Burundi has set up the Zone for Preferential Trade, currently made up of some 20 States.

Also, Burundi has also joined the Central African Economic Community, and it highly values technical and economic co-operation among developing countries there.

Burundi is a member of the Organization for the Development and Improvement of the Kagera Basin, a framework for joint action and integration within which it co-operates together with Rwanda, Tanzania and Uganda.

My country recently hosted, on 22 April 1990, the Sixth Special Conference of Heads of State or Government of that organization. At the conclusion of its work, important projects for the development of the region were approved and the Heads of State, meeting in Bujumbura, committed themselves to breathe new life into the organization.

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This process of economic and trade integration, which is relatively easy to achieve in the case of the developed countries, has in the case of our developing countries met with structural constraints which must be overcome. Thus the Organization for the Development and Improvement of the Kagera Basin has been compelled to reduce its initial targets of the 1970s, following the spectacular drop in the commodity prices of its member States, the spiralling costs of manufactured products and the crushing burden of their external indebtedness.

Initiatives of this kind should be fostered and supported by the rich countries which, for their part, should open up their markets to products coming from developing countries. Hence, as some speakers have already emphasized, the total liberalization of trade among members of the European Economic Community by the year 1992 and between the United States and Canada should aim at stimulating trade and development throughout the world and avoiding discriminatory practices.

Burundi welcomes the climate of détente which has marked current international relations. Increasingly, the guns are falling silent and the fires are going out to give way to peace, dialogue and joint action. We firmly support the idea of using the dividends of the dawning of an era of détente and of the establishment of peace to promote a spirit of economic co-operation. That is why my Government supports the proposal to create within the United Nations a disarmament fund for development.

May the results of this forum be translated into concrete action for the good of all mankind.

Mrs. de ST. JORRE (Seychelles): I should like first of all to express my delegation's great pleasure and satisfaction at seeing Mr. Garba presiding over the General Assembly at this special session.

(Mrs. de St. Jorre, Seychelles)

I also wish to take this opportunity to welcome Namibia in the community of nations and to wish the young Republic the prosperity it deserves after its long struggle for independence.

It is a great privilege to have the opportunity to address this special session of the General Assembly on international economic co-operation. It is being held against the background of numerous changes in international political and economic relations. Artificial division of the world into two opposing ideologically competitive blocs is fast disappearing. Yet, in this welcome embryonic climate of peace and stability, the division of the world into a prosperous North and an impoverished South is becoming increasingly accentuated. It is indeed paradoxical that, whilst we stand on the threshold of a safer world to live in, the prospects for economic survival for developing countries have become even bleaker.

For the majority of people in the developing world, particularly in Africa, income levels have fallen to less than what they were in the 1970s. Of greater concern still is the fact than investments have fallen to levels that compromise the prospects for future growth. The crisis they face is compounded by the heavy burden of debt servicing, by significantly reduced export earnings and by a fast growing population. Caught in this vicious circle, the only way out for these countries seems to be to boost their export earnings, leading to overexploitation of their already scarce natural resources and untold damage to the environment. How can one talk of growth, of sustainable development under those circumstances when the primary concern for the majority of these countries is merely basic survival? Unless a major effort is made to understand these issues, to mobilize the resources needed to deal with them, the problem may just grow out of hand.

(Mrs. de St. Jorre, Seychelles)

Looking at the prospects for the future, one is led to the sad conclusion that the economies of the vast majority of countries in the third world are doomed to failure. Policies were often undoubtedly inappropriate, but this is not the only cause of the problem. It so happens that by a combination of factors, the concentration of wealth lies in the North, that the South has always been the source of raw materials and cheap labour for the North. At the same time, it has always provided a ready market for finished or semi-finished products originating from the North. It is difficult to envisage the reversal of this trend today, particularly in light of the changes taking place in Eastern Europe. In this context, the apprehensions that have already been voiced are perfectly justified. For how can we compete against an already well-established industrial base and a skilled and relatively cheap labour force in Eastern Europe?

The other consideration which gives cause for concern is the fact that concessional capital flows could be diverted to Eastern Europe to the detriment of the developing world. We do not begrudge changes in Eastern Europe - far from it, for it is the sovereign right of the people to decide for themselves - nor do we begrudge the aid that it has already received or will receive. Our message to our partners in the North is quite simply that they should not forget us. Our long history of association dictates this. Our very survival demands it.

In the actual circumstances, international co-operation becomes even more of a necessity. Co-operation, as we see it, is a two-way process regardless of the size, might or power of the partners concerned. It involves a "give-and-take" attitude, a sharing of resources to the mutual benefit of the parties concerned. Yet too often co-operation is seen merely in terms of "aid", in terms of "donor countries" and "beneficiary countries". Whilst we do not discount the importance of aid to developing countries - indeed, in a number of cases without this aid,

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their development programmes would stand no chance of success - aid should not be seen as a means to an end. Rather, it should be construed as a contribution by the donor countries to the development objectives of the poor South, with no loss of dignity or sovereignty involved for the recipients. The underlying message is that aid should be given, in a real spirit of co-operation, by the fortunate few to the millions who have nothing, to teach them to be less reliant on aid, to teach them to be self-sufficient.

It is obvious that tremendous benefits can be derived from such co-operation. By bolstering the economies of the South, the countries of both the North and the South tend to gain. In many instances, aid is a vital financial and capital resource for the development of the social and economic infrastructure. It is only when those conditions are met that a favourable climate for trade, involving equal partners, can be created.

Securing economic growth, reducing trade imbalances and, above all, making progress in coping with the debt problems - all of these presuppose that we jointly take an unequivocal stand against protectionism and pursue a consistent policy aimed at open markets. Economic problems cannot be solved through confrontation but only through constructive co-operation.

(Mrs. de St. Jorre, Seychelles)

One has to admit, though, that the whole process of aid is unnecessarily tramelled in long, time-consuming bureaucratic or administrative procedures. The donor countries, with their complex internal administrative procedures, find it difficult to be flexible in adapting to the often necessary changes in third world countries. Very often, the process can take more than one year from the time the request is submitted to the time it is approved. Disbursement can often take as long. That is of course frustrating for the beneficiary country, which, being at the receiving end, has no choice but to wait. In the mean time, it is the people who suffer the most, because, not having the necessary funds, the country cannot build the school or the hospital it needs. When aid is asked for, it is because there is an urgent need for it. It cannot be diverted from already scant resources already committed to other sectors. Without this aid, a country cannot build up its social and economic infrastructure. It is condemned therefore to stay poor.

Yet another problem that one has to face is the non-delivery on promises. Governments change; their priorities or inclinations may not be the same. After making countless representations towards securing assistance, one is told that the funds promised are no longer available. I submit that there is no justification for leading a country to believe that its request has every chance of being acceded to when all along the donor country has no intention of disbursing the aid requested. That is the sad experience that quite a number of developing countries have had to face over the past years.

The quest for aid, we all know, is an arduous task, especially in the present circumstances, but it can be a mutually rewarding experience for the partners concerned when implemented properly. It is, as I have already said, a two-way process, for in most cases a proportion of the aid given usually finds its way back to the donor country in one form or another.

(Mrs. de St. Jorre, Seychelles)

In all fairness, it must be said that the fault - if fault there be - does not lie only with the donor countries. One must have the courage to admit that misappropriation of aid is a practice that unfortunately is all too often prevalent in developing countries. In certain cases, it has been documented, less than 15 per cent of the aid given finds its way to the population. There is thus a need to put into place the right mechanisms to ensure that aid is properly utilized for the benefit of the population for which it is destined.

In recognizing a country's needs for aid, one should take into consideration its past history of aid implementation. A country that has judiciously utilized aid should not be penalized for its success. Rather, it should be encouraged on the path of economic success by being provided with the right amount of aid needed to consolidate its past achievements and sustain its development. The same principle should apply in the context of debt-forgiving, which, after all, is another form of aid. It is ironical that countries that have conscientiously made use of aid and consequently experienced economic growth are shown no concessions in alleviating their debt burdens.

It is worthwhile at this juncture to make an inventory of the rules and criteria governing the granting of aid by particular countries or organizations to the beneficiary countries or regions. The criteria and motives range from historical, geographical, military, trade and economic considerations, depending on the donor's political, historical, geographical or economic association with the recipient country or region.

Consequently, we have found that certain developing countries have been able to capitalize on positive associations with the donor countries. Others have been denied access to aid that, nevertheless, from a development viewpoint, might have been more warranted.

(Mrs. de St. Jorre, Seychelles)

Clearly, the rules ought to change. There must be some universally accepted formulae that would ensure the distribution of aid with emphasis not only on merit, but also on proper utilization. Arbitrary categorization of target or aid-concentration countries is a luxury those excluded cannot afford. It so happens that when a particular country has been designated an aid-concentration country, it is targeted for aid simultaneously by a number of aid donors. It has been evidenced that such a simplistic approach can have perverse results, with the so-called target countries being granted more aid than they can absorb. That leads to wastage and a tying-up of funds that could otherwise have been used in another country, or to funds not being disbursed at all, since the recipient country is incapable of utilizing them. Even if the funds are not disbursed, the donor countries can claim that they have made provision in their budget for aid. On paper, at least, consciences are at ease.

Of great concern to us is the fact that no special consideration is given to small island States, although their special needs have been recognized by a number of international organizations, including the United Nations. As far as aid is concerned, the common denominator used is the gross national product. In the case of island States, whose gross national products are artificially inflated, that more often than not excludes them from aid programmes. The practice of targeting aid to low-income countries, while understandable, does not do justice to the development efforts of small island States. Nor does it allow them to sustain their present level of development and growth.

The case of my own country illustrates that of other small island States. Although Seychelles is vulnerable to a number of economic pressures common to most larger, more populous countries, smallness does impose additional burdens. Economically sustainable development is highly vulnerable to pressures arising from territorial and demographic smallness, which are compounded by Seychelles'

(Mrs. de St. Jorre, Seychelles)

geographically remote location and the dispersion of population and resources among numerous islands.

Diseconomies of small scale inhibit the expansion of the industrial base. That results in a heavy dependence on imports, both for investment and consumption. As such, the country has to maintain relatively high foreign-exchange reserves in order to maintain internal and external financial equilibrium.

The narrow economic resource base also places Seychelles at a disadvantage in the context of international trade, since our small economy cannot afford to subsidize its major exports, the latter being confined to tourism and fishing. In the case of larger economies, a particular export commodity or service can always be subsidized and supported by a broad variety of other export products.

One cannot overemphasize the very high per capita cost of providing services to the public in a country as small as Seychelles. While ports and airports might be an absolute necessity, even the smallest of those has to conform to international standards, irrespective of the size of the population they serve. It is precisely because small States have to invest disproportionately large amounts in their socio-economic infrastructure, often by borrowing externally, that they have relatively high levels of debt, especially if that is measured in terms of debt per capita.

We feel that it is therefore incumbent on the international community to use the special needs of small island States as the main criterion for determining the level of assistance and the conditions on which it is provided, rather than a distorted gross national product per capita, so as not to jeopardize past achievements or penalize current development efforts.

(Mrs. St. Jorre, Seychelles)

There is a need for a more flexible approach to economic co-operation, one which takes into consideration the diverse needs of developing countries, particularly the special difficulties confronting small multi-island States. One would expect initiation of more flexible co-operation policies to be translated over time into a reversal of our deteriorating debt structure. That would also provide a powerful impetus to our strenuous past and current efforts to adhere to development that is economically, socially and environmentally sustainable.

Mr. ISHPEKOV (Bulgaria): First of all, I would like to extend our sincere congratulations to the President and to congratulate the delegation of Namibia upon the country's accession to membership of the United Nations community.

The changes taking place in the world on the eve of the twenty-first century are unprecedented in their depth and dynamics. The processes of democratization in the Eastern European States, including my country, have given a notable impetus in that direction.

In the sphere of international economic relations the new trends are reflected in the growing interdependence of States and regions. The overcoming of such global problems as those related to ecology, the demographic situation, malnutrition and poverty are of paramount importance for the survival of mankind.

At the same time, the world economy entered in the 1980s upon a new stage in which technological renovation, resource-saving growth and flexibility in adapting to market changes are becoming decisive for successful economic development. However, that process is accompanied by painful structural changes in national economies, particularly those of the developing countries. Increasing competition, continuing protectionist trends and disproportions in international trade and financial relations are resulting in further deterioration of the economic situation of the developing countries and of other States which are at similar levels of economic development, such as my country.

(Mr. Ishpekov, Bulgaria)

The task of identifying common approaches to the most pressing problems on the basis of balance of interests at the global, regional and national levels is gaining prominence. The elaboration of multilateral agreements and measures aimed at ensuring economic security for all States is a vital condition for overcoming the current problems.

One of the most acute problems hampering the development of the developing countries is foreign debt. Its solution should be sought as a component of the process of adapting national economies to the structural changes in the world economy.

The special session should also address such problems as the outflow of resources, the stabilization of international trade and strengthening the multilateral trading system, improving the conditions for technology transfer and overcoming the imbalances in the international financial system.

Bulgaria is taking an active part in joint efforts directed at guaranteeing ecologically sound development. The elaboration within the framework of the United Nations of a global strategy on safeguarding the environment and the rational use of natural resources is a major task for the international community. The Conference on Environment and Development in 1992 should play an important role in that respect.

The current special session of the General Assembly should also pay due attention to the social aspects of development. The session can make a valuable contribution to the preparation of the United Nations International Development Strategy for the 1990s.

The common efforts and approaches to the global challenges of today are gaining momentum at the regional level as well. This is particularly true of Europe, where the all-European process is bringing previously divided States and

(Mr. Ishpekov, Bulgaria)

groups of States into intensive co-operation. The document of the Bonn conference on economic co-operation in Europe is an important step in this direction. The reforms in the Eastern European States aimed at strengthening democracy, respect for human rights and transition to a market-oriented economy have created new dynamics on the continent. It is a common view that the radical reforms in Eastern Europe concur with the interests of sustained development of the world economy, and of that of the developing countries as well. The development of Bulgaria since November 1989, when the radical reforms in all spheres of our society were started, is also an integral part of that process. As far as the economic sphere is concerned, a programme for stabilization and radical economic reforms has been elaborated by the present Government and is now being implemented. At the core of the reform is the transition from a centrally planned to a market-oriented economy.

The stabilization programme is in line with the goals of the reform and will prepare the basis for long-term structural adjustments. A number of new laws and regulations have been adopted to ensure equal rights and opportunities to all forms of ownership, including private property. Foreign investments are encouraged and guaranteed. The legislation also ensures governmental regulation of the economy through such economic instruments and measures as rate of exchange, taxes and customs duties. Prices are continuously liberalized and enterprises have full autonomy in their operation, on both the national and the international markets.

The stabilization measures of the Government are aimed at overcoming the serious economic crisis and the substantial debt burden. We are fully aware of our own responsibilities at the national level. However, international support would be vital to implement structural adjustment policies for increasing the competitiveness of our production and the full integration of the country into the world economy.

(Mr. Ishpekov, Bulgaria)

The Government is particularly aware of the social costs of the reform process and is taking all possible measures to reduce the negative social consequences. Special attention is being given to social security and retraining.

Consistent steps are being taken for Bulgaria's integration in the multilateral trading and financial systems. The procedural difficulties related to the operation of the working party on Bulgaria's accession to the General Agreement on Tariffs and Trade (GATT) were overcome in February this year. Since we submitted our application in March to the International Monetary Fund (IMF) and the World Bank, the procedure has already gained momentum. The signing of the agreement between Bulgaria and the European Economic Community (EEC) in May this year will create new opportunities for broader co-operation with the Community.

In general, we view our increased participation in multilateral economic co-operation as an important dimension of our efforts to ensure the implementation of the ongoing reforms.

Bulgaria is for the strengthening of the role of the United Nations as a universal institution for co-ordinating joint actions aimed at harmonizing international economic co-operation. I should therefore like to express our confidence that the current special session of the General Assembly will make a substantial contribution to the process of strengthening multilateral economic co-operation.

Mr. WAKIL (Afghanistan): At the very outset I should like to convey to Ambassador Joseph Garba my warmest congratulations on his election as President of the General Assembly's special session on international economic co-operation. His experience and competence and his successful and wise leadership of the forty-fourth session of the General Assembly, the special session on apartheid and the seventeenth special session demonstrate that the present special session will be crowned with great success.

(Mr. Wakil, Afghanistan)

It gives me great pleasure to welcome the independent State of Namibia among us. We pay a tribute to its heroic people and are proud that they always had our full support and solidarity during their national struggle.

The convening of the General Assembly in a special session on international economic co-operation, in particular the acceleration of the economic development of the underdeveloped countries, provides an appropriate opportunity for the world community to seek ways and means to overcome the serious problems of the developing and least developed countries, which are in an unfavourable socio-economic situation.

An analysis of the world economic situation in the first months of the 1990s indicates that the pace of economic growth in the non-industrial countries has been very slow. That situation is continuing and, in addition, there is tangible instability on the world economic arena.

The lack of a balance in trade and policies on rates of exchange, tariffs and subsidies for agricultural goods in the industrial countries have created even greater obstacles in the financial, commercial and developmental spheres. This state of affairs has had a negative impact, especially on the developing and least developed countries.

The economic problems experienced by the developing countries indicate that the positive economic change in the developed countries has not yet had an impact on the developing countries. It is very necessary to resume serious dialogue between the developed and the developing countries.

As a representative of a least developed, land-locked country, allow me to focus on the very crucial situation of those countries during the last decade. The 1980s was largely a decade of stagnation in most of the areas and outright

(Mr. Wakil, Afghanistan)

retrogression in some of them. During that period the deterioration of the socio-economic situation was characterized by economic indicators registering only marginal or no progress.

I would note with deep concern the rapid deterioration of the social conditions in the least developed countries. The number of unemployed and underemployed increased in the least developed countries during that period. There was also an increase in the absolute number of illiterates and a rise in the incidence of child malnutrition. Indicators of average life expectancy at birth, infant mortality and immunization coverage also failed to register any significant improvement.

Those very discouraging trends in socio-economic conditions have seriously affected savings and the generation of an investable surplus. During the last decade, the least developed countries witnessed a significant depletion in their savings capacity as a result of the need to maintain a minimal consumption level for an ever-growing population, declining economic growth and increasing foreign exchange constraints. Over one third of all the least developed countries experienced a negative savings ratio during the entire 1980s, while in the majority of others it fell significantly short of their actual requirements.

As a result of their savings and foreign exchange constraints during the major part of the 1980s, the least developed countries experienced an unabated diminution in their ability to make productive investments and maintain their already limited capital stock. The share of gross investment in gross domestic product declined from 19 per cent in the period 1981 to 1983 to about 14 per cent in the period 1984 to 1986. As a large part of their investable savings had to be devoted to the replacement of existing capital stock, the net investment ratio in the least developed countries fell significantly. Furthermore, about two thirds of their savings had to be devoted to immediate needs.

(Mr. Wakil, Afghanistan)

Despite the sensitivity with which the problems of the least developed countries were addressed by the international community during the last decade, and although in terms of donor performance sustained efforts were displayed by many developed countries, we note that the real transfer of resources, as measured by the difference between the current balance and net interest payments adjusted by the import value index for the least developed countries, declined by more than one fourth in 1980. We also note that the aid target of 0.09 per cent of donors' gross national product fell far short of the 0.15 per cent foreseen in the Substantial New Programme of Action. In some cases the ratio of official development assistance to gross national product for major Development Assistance Committee (DAC) donors to the least developed countries did not register any appreciable improvement.

(Mr. Wakil, Afghanistan)

By all standards the growth of official development assistance flows to the least developed countries throughout the 1980s has been extremely inadequate and has not corresponded to the production incorporated in the Substantial New Programme of Action. I would like to underscore the particular importance for the least developed countries of the establishment during the 1980s of new mechanisms, such as the International Monetary Fund's Structural Adjustment Facility and its enhanced facilities and the World Bank Special Facility for Sub-Saharan Africa. However, access by many least developed countries to these facilities remains restricted.

The Republic of Afghanistan, as a land-locked country, supports free accessibility to the sea and free transit, as enshrined in article 125 of the United Nations Convention on the Law of the Sea and the United Nations Convention on Transit Trade of the Land-Locked Countries. It believes that this goal could be achieved through attracting international assistance.

The Republic of Afghanistan believes that the creation and observance of a rational and effective balance between the principles of self-reliance and mutual reliance in the sphere of international economic co-operation can guarantee the national sovereignty of countries and be the pillar of effective co-operation, based on mutual interest in the framework of the international economy.

Such co-operation presupposes that the developed countries take into account the priorities and needs of the development of national economies in the developing and least developed countries during the distribution of their official development assistance. Afghanistan is of the view that economic co-operation among the developed and developing countries could be ensured through dialogue and mutual understanding of each other's interests.

During the work in the Preparatory Committee on the current session, some countries reiterated the need for expanding regional co-operation in economic

(Mr. Wakil, Afghanistan)

spheres, but one should keep in mind that many regions are aflame with regional conflict. Such conflicts set a serious obstacle in the way of effectively expanding international economic co-operation and pose a threat to peace and international security. The Republic of Afghanistan is situated in one of the hotbeds of regional conflict, which finds its roots in the interference and military aggression of Pakistan.

The Republic of Afghanistan believes that dangerous hotbeds of regional conflict should be eliminated. Our country has time and again put forward various proposals towards this end. As I speak from this podium, I once again draw the Assembly's attention to them.

We have proposed that dialogue and broad negotiations be initiated between the State of the Republic of Afghanistan and all Afghan political forces inside and outside the country which opt to ensure peace and cease fratricidal war. The main issue in such negotiations should be the holding of a nation-wide peace conference to be attended by all sides concerned. The conference would decide on the establishment of a governing council, representing the will and thinking of all forces, and declare a six-month-long cease-fire. During this period of time, a broad-based coalition Government would be formed by and be under the supervision of the governing council. The governing council would form a commission to draft a new constitution and a law on elections to the National Assembly. Upon confirmation of the new laws, the governing council would convene the Loya Jirgah - Grand Assembly - for their final ratification. Later on, free, direct - through secret balloting - equal and universal parliamentary elections would be called, based on the new constitution, and a new government would be formed as a result of the election results by one party or group of parties holding a majority in Parliament. The Republic of Afghanistan is ready to accept supervision or control of the election process by an international commission.

(Mr. Wakil, Afghanistan)

In order to resolve the external aspects of the situation relating to Afghanistan, the Republic of Afghanistan has proposed the convening of an international conference to be attended by Afghanistan, Pakistan, Iran, India, China, the United States of America, the Soviet Union and the Secretary-General of the United Nations. The conference would agree on the consolidation of a cease-fire and the termination of the delivery of weapons to the sides and, later, guarantee and protect the legal status of a permanently neutral and demilitarized Afghanistan that will be enshrined in the constitution.

In the course of over a year of independently defending its national sovereignty, independence and territorial integrity vis-à-vis the armed encroachments of Pakistan, Saudi Wahabis and irreconcilable extremists which have opted for a military solution, the Republic of Afghanistan has demonstrated its viability and necessary defensive capability. The Republic of Afghanistan is convinced, and experience has proved, that war cannot be the chief means for the settlement of issues. War only prolongs the tragedy of fratricide, destruction of the country, and misery and suffering of our people. We call on the international community to help us in a peaceful political solution of the Afghanistan problem.

One of the serious problems, like the arms race, which hinders development is the planting, production, processing and trafficking of illicit drugs in most countries and parts of the world - our region included. Drug trafficking is being carried out by the extremists in direct co-operation with certain Pakistani military circles and international Mafia. They do so at the cost of reducing the area of irrigable lands and blocking the development of agriculture in areas controlled by the extremists. The profits from drug trafficking have not only expanded the dimension of fratricidal war in the country but also presented the European and American people with the plague of addiction.

(Mr. Wakil, Afghanistan)

Launching a powerful campaign against the production, processing and trafficking of illicit drugs in our region presupposes that concerned international organizations put pressure on the leaders of the Afghan opposition to abandon drug trafficking.*

The Republic of Afghanistan believes that the establishment of rigorous control and supervision of the border areas of Afghanistan, Pakistan and Iran, in the framework of regional co-operation assisted by international organizations and the United Nations, can be a practical means of fighting drug trafficking.

The Republic of Afghanistan is optimistic and places its hopes in the current session. In our view, this important session can provide real possibilities and opportunities for improving realistic and constructive approaches towards international co-operation for development and the solution of the economic problems of the developing and least developed countries.

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* Mr. Tsokodayi (Zimbabwe), Vice-President, took the Chair.

Mr. PAOLILLO (Uruguay) (interpretation from Spanish): This special session will be remembered for ever by all participants because of the historic event with which it was inaugurated: the entry of Namibia to the United Nations. Countries such as Uruguay that have always advocated its independence feel very proud to count Namibia not only as a new Member of this Organization but also as a new member of the community of democratic countries.

As of now, the Namibia joins the developing countries in their struggle to consolidate democracy within the framework of a more equitable international economic system. Let us hope that when our work is completed - under your inspired and intelligent leadership, Mr. President - we will be able to celebrate not only the entry of Namibia into the international system but also the achievement of a broad political consensus on how we can reactivate our weakened economies and strengthen international economic co-operation. It would be deplorable to miss this opportunity, when over 90 Heads of Government and Ministers have been present, to reach an agreement which clearly identifies the problems obstructing the development of our countries and how the international community is going to solve these problems in the new decade.

High priority has in recent times been given to issues such as the environment, the development of human resources for growth, the worsening of extreme poverty and the need to give greater economic aid to the least protected sectors, such as young people and women in the poorest societies. These are no doubt matters which will occupy our attention during this decade and should be so reflected in the declaration we are to adopt at the conclusion of this special session.

Nevertheless none of these issues can be addressed realistically if solutions are not also sought to the previously existing problems which became acute during the last decade. We must not forget that most developing countries are entering

(Mr. Paolillo, Uruguay)

the 1990s burdened by the recessive inertia of the 1980s caused by external debt and a strong contrast between their export profile and the structure of international demand.

To these, other significant drawbacks should be added, among which unresolved macro-economic imbalances, technological backwardness and the erosion of Government financial and administrative capabilities are of particular importance. Therefore our new international agenda must be built on the interrelationship between the unresolved problems of the past decade and the new priorities, thus allowing us to make the United Nations institutionally capable of effective action on the ever changing scene of contemporary international economics. The great challenge facing this institution in the forthcoming decade is its contribution to a rediscovery of the path that will lead our countries towards the benefits of economic and social development, the path that was lost in the turbulence of the decade just ended.

Of course, within this context nobody can ignore the relationship between national policies and the international economic system. It is obvious that economies must be adjusted, stabilized and attuned to world technological change. Public and private sectors must be modernized and more austere consumption patterns must be implemented in all our societies.

Nevertheless the results of domestic efforts to overcome the crisis will depend largely on the external context. Among the different elements that will condition domestic efforts and may also render them useless, four are worth noting.

The first is external debt, which limits both the capacity to import and the capacity to invest of a large number of our countries' economies.

It is not possible to think of a revitalization of development while the majority of developing nations continue to transfer vast amounts of resources to the industrialized world. In the case of Latin America and the Caribbean, the

(Mr. Paolillo, Uruguay)

transfer exceeds $200 billion as a result of, among other things, the huge volume of its foreign debt. Since 1982 the region has lost between 4 and 5 per cent of its gross national product per year.

The United Nations should continue to encourage conceptual progress in this field aimed at making the international financial community and the creditor banks aware that the revitalization of developing economies depends to a large extent on the solution of this problem. The special session is an excellent opportunity for the international community to decide collectively to tell the world that solutions must be sought diligently to put an end, over the short-term, to this scourge which day after day eats away at the standard of living of our peoples.

The second element we find of extreme concern is the low index of participation of our countries in direct investments at the world level. Since the beginning of the foreign debt crisis, Latin American and Caribbean participation declined from 13 per cent during the 1977-1981 period to 5.3 per cent in the 1986-1987 period.

During the last decade private investment has been aimed at highly industrialized nations.

It is a paradox that, while we are advised to make domestic adjustments to adapt our economies to the international economic situation, capital flow is increasingly concentrated in the developed world. At the beginning of the 1970s developing countries received over 50 per cent of foreign investment. Changes in the international system and in the policies of major private institutions have determined that currently 80 per cent of foreign investment is mobilized within the industrialized world, and only 20 per cent is directed towards developing nations. To make matters worse, most of that 20 per cent is concentrated on very few developing countries.

(Mr. Paolillo, Uruguay)

The changes which have taken place in Eastern Europe may also contribute to a further cut-back in the minimal investment now flowing towards developing countries.

Thirdly, there is a need for freer and more open international trade.

During the last decade developed countries further increased their participation in world trade. But this growth occurred within a context of protection for inefficient production through mechanisms such as regulated trade or voluntary import restriction agreements or a whole range of mechanisms which have increased trade protectionism to intolerable levels. We are convident that, through the negotiations in the Uruguay Round, within the General Agreement on Tariffs and Trade (GATT), world trade can be liberalized and effective compliance with the principles of standstill and roll-back can be achieved.

This special session should clearly recognize the need to expand world trade during the 1990s for the benefit of all nations and not only a few and to liberalize it within the framework of the mechanisms and commitments undertaken in GATT, particularly in the light of the results of the Uruguay Round.

Finally, developing countries must have access to modern technology and knowledge under conditions that will allow production to be transformed on the basis of international competitiveness.

Perhaps one of the most remarkable paradoxes of the last decade has been that, while science and technology have become more and more vital for the development process, in the multilateral field there is a tendency to give them secondary importance. Clearly the most important issue of the 1990s will be the need for developing countries to have access to the rewards of rapid technological and industrial change which are allowing unprecedented increases in the wealth and standards of living of developed countries.

(Mr. Paolillo, Uruguay)

To summarize, we believe that the formulation of solutions and corrective measures in vital areas, such as finance, investment, international trade and science and technology, will generate a climate which will have a positive influence on national policies and will allow our countries to release the resources necessary to implement suitable policies in the fields of human resource development, the eradication of abject poverty and the environment.

If the United Nations can give a practical content to the recommendations emanating from this special session in these interrelated areas, the Organization could recapture its dynamic role in the economic and social fields. On the other hand, if this opportunity is missed, international economic co-operation and multilateralism will give way to competition and bilateralism. Consequently, antagonism and disorder will become the governing principles of our future international relations. The possibility of preventing this outcome lies within our grasp.

Mr. RABETAFIKA (Madagascar) (interpretation from French): It is significant that the Republic of Namibia should have been admitted to membership at this time. Like all other delegations, we welcome the presence among us of our Namibian brothers, who now enjoy the same prerogatives and rights as we do. Namibia's admission justifies and honours the national liberation struggle, and tribute should be paid to international co-operation at the political level.

In the economic and social fields Namibia still has much to do, particularly with regard to reconstruction and integration. We hope that in the course of our deliberations our Namibian brothers will be able to see, while never despairing, just how far the international community can go with them along the road of true co-operation, in addition to the humanitarian, political, diplomatic and military assistance that they have received from us already.

(Mr. Rabetafika, Madagascar)

The General Assembly is meeting for the fourth time in 17 years in special session to discuss international economic co-operation. Despite what has been said about the importance of this event, it must be noted that in general political questions have had the ascendancy over economic questions, at least in the Assembly. That may flatter the dogmatism of our partners, but it in no way serves the interests of the third world, which has always wanted to give the United Nations the main role in promoting development.

Further, it is clear that the new international economic order, an idea which was launched in a climate of hope and enthusiasm, now has fewer and fewer followers. Some find refuge in the crisis; others advance the primacy of national interests; still others resort to the pretext of parallel events to advocate integration, pure and simple, into the so-called system of the renewed free market.

Finally, situations are so different, not to say ill-defined, that it is virtually impossible to be sure of a sound and objective dialogue.

We must conclude that, first, the special session, which should have been planned to launch new global negotiations in the framework of the establishment of the new economic order, has lost its significance. We shall always need international co-operation. Our priority continues to be the revitalization of the growth and development of our countries and - needless to say - within them.

Before we speak of consensus, we need to know whether our partners have the same feelings as we have about the two themes of the session and whether the words that we use - co-operation, revitalization, growth and development - have the same meaning in the light of the facts and of values that, if not identical, should at least be comparable.

It is not a matter of carrying out a mere exercise, adopting a declaration that risks being ineffective by losing all relevance within five or ten years. Still less, since one system is out of the race, is it a matter of praising

(Mr. Rabetafika, Madagascar)

another, whose claimed victory has been gained by default. The time has come for reflection, and we must redefine international economic co-operation within new parameters, without questioning the fundamental principle of free choice of economic, social and political systems.

What the Charter says about international co-operation, development, progress and the solution of economic problems is linear and unfortunately lends itself to a mixing of categories, thus in a way justifying what is called tied aid. Co-operation does not need to be defined, because we experience it; it exists as the sum total of experience, good or bad; it allows for many variables; and it adapts itself to circumstances. Nevertheless, it cannot disregard the principles of justice, equity and equal participation in managing the world economy, nor should it ever be reduced to the simplistic equation of give and take. It is a complex concept, often manipulated, but it cannot escape rigorous scrutiny.

If international economic co-operation had been perfect we should no longer be talking about the debt, the deterioration in the terms of trade, structural adjustments, the urgent need for development aid or the divide that we never finish trying to bridge. We must admit that after several decades of strategies - we are now in the fourth such decade - either we have taken the wrong road or we have not lived up to our responsibilities.

I shall mention three anomalies among many to illustrate my argument.

First, we had to recognize that the world economy was going through an unprecedented crisis. We then embarked on reconstruction, without really worrying about the repercussions on our countries or about the need to adapt and integrate the means for resolving the crisis, which was moved from the North to the South, with the catastrophic consequences that we all know.

(Mr. Rabetafika, Madagascar)

Secondly, for more than 20 years there have been discussions on the interdependency of problems and sectoral compartmentalization has continued to be advocated, thus limiting the scope of negotiations, the possibility of concessions and the adoption of complementary measures. The result has been that vital sectors of our countries have been neglected and the North-South dialogue has lost all substance.

Thirdly, the notion of collective responsibility is now being applied to the economic area, and it is said that we should envisage a multipolar development of the world's economy, while leaving room for our countries. But structural organization is controlled by a small number of countries, which grouped together or not, have their own imperatives and are able to join forces to perpetuate the present system and monopolize the decision-making process, without taking into account the principles of partnership and sharing underlying international co-operation.

In theory, everything is perfect, everything is in keeping with the Charter and everything stems from good will. In practice, however, one finds ambiguities, contradictions, and impositions, to such an extent that we wonder whether we can reverse the trend and take up the challenge of the 1990s.

Thus we continue to manage the crisis, to work along the hard road of reconstruction and to face the same problems from one decade to the next, and words such as instability, uncertainty, disorder, disorganization, imbalance, inequality and decline are by now, unfortunately, familiar.

Despite this apparent chaos which hinders all efforts at reorganization at all levels, we must recognize that certain positive trends have emerged, owing mainly to a resurgence of the concept of interdependence, the convergence of views on new development models, a growing importance of regional economic co-operation and

(Mr. Rabetafika, Madagascar)

integration, not to mention the establishment of stability in international economic relations.

Hence, in the long term we can entertain some hope, because we shall, sooner or later, have to find within the framework of international co-operation solutions to the debt problems; the cost of adjustment; insufficient financial resources for development; human resources development; the environment; finding ways to increase export receipts; and, above all, combating poverty.

The combination of current trends and the challenges of the 1990s are such that we can now assess the scope of the efforts needed to revitalize growth and development in our countries. We are in the habit of turning to the North, but why should we not find within ourselves ways and means to make the most of international assistance? Why should we not also envisage South-South co-operation in a more dynamic and better organized way, instead of viewing it as the negative counterpart to the failure of the North-South dialogue?

We believe that it is urgent for us to devise new and even unorthodox ways, because the challenges are such that no country or group of countries has any likelihood of ensuring by itself the rescue of the third world, regardless of its political importance or economic power.

In the time available to us, it is not possible to go into the details of these issues, although they are very important. We are obliged to speak in general terms, with the hope that the declaration we shall adopt at the end of the session will be more specific and that it will not be necessary for us to restate objectives or principles which are by now commonplace. Instead of speaking of demands or diktats, the declaration could set forth in practical and realistic terms ways and means of taking up these challenges and strengthening the options available open to us.

(Mr. Rabetafika, Madagascar)

We are obliged seriously to recognize that in this undertaking - revitalizing development based on new international co-operation - there can be no success unless the following four conditions are met:

First, we must admit that, despite our disparities and the hint of confrontation, division, conquest or reconquest, it is necessary to stress that there is a community of interests, objectives, and, especially, approaches.

Secondly, we must abandon laissez-faire, an unsound element of liberalism, and emphasize the urgency of addressing economic problems and finding solutions in the context of interrelationships between the economic, the social and the political.

Thirdly, we must accept the essential, or even compulsory, nature of true commitment in solidarity.

Fourthly, and finally, we must strengthen the role of the United Nations, the only body where we can address these problems comprehensively and take into account the co-ordination, the focusing and the political dimension that goes into decisions on development taken by international institutions and organizations.

We cannot afford another failure. Therefore we must ensure that this session becomes the point of departure for reappraisal and an occasion to forge an international consensus on creative forms of development and economic co-operation, in keeping with our aspirations and responsibilities.

That is what we hope for. It allows for dialogue, provided our partners make concessions concerning their explicit or non-explicit demands. And if mutual trust is the rule, we can perhaps forget for a while the slogans and propaganda of all sides and think only of our common good.

Mr. GURINOVICH (Byelorussian Soviet Socialist Republic) (interpretation from Russian): We should like to extend our congratulations to Mr. Garba on his unanimous election as President of the General Assembly at this eighteenth special session. We wish him and the entire Assembly success in achieving practical results in the sphere of international economic development and co-operation.

The delegation of the Byelorussian SSR welcomes the admission of the Republic of Namibia to the United Nations and intends to co-operate in a fruitful manner with the representatives of the independent Namibian people in all areas of intergovernmental relations.

That I should be speaking in the final stages of the general debate facilitates my task; yet, at the same time, it makes it more difficult. Previous statements - and there have been some 110 of them - have demonstrated an overall and coinciding concern for the state of the world economy and international economic co-operation. They contained alarming information, especially about the status of developing countries. On the other hand, they reflected diversity, and even a spirit of contradiction, among proposed approaches in order to improve the economic situation of some countries and regions and to establish just and equitable international co-operation for the economic and social progress of all peoples.

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In the view of the delegation of the Byelorussian SSR, the current special session of the United Nations General Assembly is called upon not only to make the right diagnosis, but also - on the basis of the new political thinking, common human values and priorities, balance of mutual legitimate interests, realities and the specific character of certain problems - to reach an effective and feasible economic consensus which would help to implement national development programmes and comprehensive international co-operation.

This work is not starting from scratch. It is generally recognized within the United Nations community that the arms race and military conflicts have been jeopardizing development; that suspicion and confrontation should give way to confidence, openness and interaction; that every people has the right freely to choose its political system and its own path of development without interference from abroad; that domestic problems cannot be solved at the expense of the interests of others; and that we should live in peace and be friends with one another, while working in every way possible for the benefit of peoples and for international co-operation.

Many other specific decisions and recommendations worked out in the United Nations also remain valid. We should not give up what has already been achieved and has stood the test of time. Starting from this basis, we should proceed further and lay down the groundwork for intensification of multilateral co-operation on specific issues involving the improvement of international economic relations for the benefit of all countries. Such an approach makes it possible to adopt agreements aimed at strengthening the basis of a secure and civilized world, one which, in turn, would enable us to find solutions to the problems of sustained and balanced development, legitimate and equitable world market relations with a reasonable co-relation of prices for various good, a healthy monetary system,

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settlement of the external debt burden and removal of protectionism and discriminatory tendencies in international trade.

It is obvious that the world has come to a point where a universal adaptation of national economies to the world economy is required, of course taking into account the specific features of each country, which implies a harmonization of national and international factors in the economic policies of all countries. Valuable assistance in the fulfilment of that task, which includes the elaboration of universally acceptable preventive measures as well as international standards, norms and rules of economic interaction of States, can be provided by the bodies of the United Nations system, with the General Assembly and the Economic and Social Council playing the role of co-ordinators.

In the implementation of the perestroika process, the Byelorussian SSR has switched, as of January 1990, to new methods of economic management and principles of financial self-sufficiency. We intend to integrate ourselves broadly into the world economy, to establish and expand economic, trade, scientific, technological, cultural and other types of co-operation with other countries and specific foreign partners. We consider it our duty to be a reliable and honest partner in all foreign relations and we expect reciprocity. We also hope that the more experienced partners in international relations will not adopt a policy which is in contradiction with both mandatory and advisory international legal acts and instruments. We shall follow this policy in our economic and trade co-operation, and this includes the creation and implementation of joint projects, ventures, productions and other forms of interaction and co-operation with all our partners abroad.

I should like to dwell, in conclusion, on yet another issue. It goes without saying that any economic development should meet human needs and guarantee social

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justice for all levels of the population. While doing this, material prosperity, modern health treatment, adequate housing and the availability of education and employment with fair remuneration should be provided for each human being. Each person should be fully guaranteed opportunities for the exercise of individual civil, political, economic, social, cultural and other rights, including those provided for in the covenants on human rights.

The Byelorussian SSR has continually and sucessfully made efforts to achieve those goals. Yet, in the course of the last four years, the solution to those tasks has become far more difficult owing to the need to overcome the consequences of the Chernobyl nuclear power plant accident.

The consequences of that accident for the Byelorussian SSR have been enormous. One fifth of the entire population - 2.2 million people - inhabit areas that were exposed to radiation of various intensity. Twenty per cent of arable lands that could yield safe radionuclides-free foodstuffs, as well as 15 per cent of the forests, were lost. In the wake of the catastrophe, 25,000 people have had to be resettled, and the process of resettlement is continuing. Due to medical and social reasons, another 118,000 people from 526 towns and villages are to be resettled to radiation-free areas in the near future. We are not able to do all of this at the same time.

A State programme for the elimination of the aftermath of the Chernobyl catastrophe for 1990-1995, with more than 17 billion rubles allocated to the programme has been elaborated, adopted by the Supreme Soviet and put into operation in the Republic. Its appropriations are equal to two annual budgets of the Republic. The programme provides for public health, particularly for children, resettlement, construction of new settlements and the creation of job opportunities, the development of full social structures - schools, hospitals,

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cultural centres and so forth - research studies, decontamination of the affected areas, prevention of the spread of radionuclides into other territories, rehabilitation of the environment and much more.

In order to tackle these unprecedented large-scale problems we need assistance and help from outside. Moreover, this assistance can be linked to the implementation of joint unique research programmes, including, for example, the study of long-term effects of different radiation doses upon human beings and the environment, research on ways in which radionuclides are spread and to prevent the spread of radioactive pollution in various ecological systems.

Other forms of external assistance to preserve the lives and health of people, especially children, to ensure radiological and environmental safety of the population in adjacent areas and international co-operation in these fields are also necessary.

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In those circumstances, along with the efforts and support of all-union bodies, the Presidium of the Supreme Soviet and the Council of Ministers of the Byelorussian SSR made an appeal to parliaments, Governments, international organizations, compatriots and all people of good will to provide all possible assistance in our efforts to overcome the consequences of an accident that is unprecedented in physical and medical-biological terms.

The appeal and adequate background information were forwarded through the missions of the Byelorussian SSR to international organizations in New York, Vienna, Geneva and Paris, and to Member States of the United Nations. The parliaments of the members of the Interparliamentary Union were made aware of the documents at a conference that took place in early April of this year. We look forward to a positive response and the understanding that possible assistance to the Byelorussian SSR, given the specific nature of our needs, cannot be considered as a diversion of resources counted upon by the developing countries.

Moreover, this is a calamity of not only national but also international proportions. Thus, assistance rendered to us in overcoming the medical, environmental and other consequences of the accident at the nuclear-power plant could also be useful to other countries, especially those with developed nuclear-power generation capacities or those that border on such countries.

It should also be recalled that, despite our financial difficulties, the Byelorussian SSR continues to participate in assistance programmes to developing countries carried out through the United Nations and other international agencies. Even after the accident at the Chernobyl nuclear-power plant, we increased our voluntary contributions to the United Nations Children's Fund twentyfold.

In conclusion, I should like to thank all those who have sympathized with us in our misfortune. I hope that the forthcoming session of the Economic and Social

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Council will support a draft resolution that we proposed on international co-operation in dealing with the consequences of the accident at the Chernobyl nuclear-power plant.

Mrs. CHAN (Singapore): I should like to take this opportunity to join many others in welcoming Namibia into the fold of the United Nations as its 160th Member. We have waited many long years for this moment and we feel particularly privileged to be present to witness the historic occasion.

Our analysis of the present global economic situation leads us to the conclusion that any proposed international economic co-operation will need an integrated approach. There seems to be no single effective solution, no viable monocausal approach to a bewildering and perplexing problem of global socio-economic development. We should also note that global change does not unfold as a linear development or trend. It occurs as a threshold response to a persistent stimulant. That implies that we must work continuously and press for global economic co-operation.

Ever since the end of the Second World War, a growing number of newly independent States have attempted to match their political independence with socio-economic growth. Few have succeeded; many have failed. Nearly one third of the United Nations membership is now classifed as least developed countries. That is a graphic indicator of a dismal international economic situation.

In particular, developing countries are now also concerned over the greater competition for scarce international investments and other financial resources, which appear to be increasingly directed to the newly emerging democracies. Hernando de Soto, the Peruvian author of The Other Path, has described that diversion of financial resources away from the third world as "from where capitalism has failed to where socialism has failed".

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In contrast, world politics seem to be progressing well. The great ideological battle known as the cold war increasingly seems to be in decline. Super-Power relations are cordial. The United Nations is held in high regard. Ideology is less salient in global politics. Decolonization has been largely accomplished. Regional conflicts appear to be nearer solution as great Powers disengage themselves and actively co-operate to persuade factions and parties to accept political solutions. Great regions of the world concentrate their energies on building regional associations, such as the single European market.

It is interesting and instructive to compare and contrast the relative progress in international political relations and international economic relations. There are probably numerous reasons why more progress has been achieved in international political relations than in international economic relations. A possible reason could be that in the global political sphere, many countries understand that they share a communality of interests in mutual survival, while international economic relations are viewed as a zero-sum game. Markets, technology, exports and foreign exchange are seen as proprietary and exclusive. Economic competition is viewed as natural, while political co-operation is perceived as a necessity.

Another obstacle appears to be the lack of international economic vision. What we need is a new perspective on international economic co-operation that is not based on a zero-sum approach. The timing is propitious. As our Prime Minister, Mr. Lee Kuan Yew, said:

> "There is a strong desire in the East and West, in the North and South, to concentrate energies and resources on economic development and to restrain expenditure on arms."

(Mrs. Chan, Singapore)

Once there was indeed such a vision, embodied in the Marshall Plan, which channelled over $12 billion to Western Europe between 1948 and 1952. The success of that Plan enabled Western Europe to revive and recover from the ravages of the Second World War. The current situation is now different in that the resources, which used to be commanded solely by one dominant nation, and which are necessary to meet the great needs of the third world, are now dispersed among several developed nations. Secondly, the queue of aid recipients is long and has recently been lengthened by new claimants. Thirdly, the peace dividend from global disarmament is unlikely to increase official development assistance, as it appears to be needed for compelling domestic agendas. Fourthly, aid fatigue seems to have immobilized official development assistance levels below 0.7 per cent of gross national product, with the exceptions of Denmark, the Netherlands, Norway and Sweden. Fifthly, there has been a corresponding shift in attitudes and rhetoric among many developing countries towards co-operation and partnership and towards the adoption of more efficient methods of creating and sharing wealth.

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The present situation in many developing countries reminds us of two similar earlier situations in which the world was confronted by very serious economic difficulties, namely, the Great Depression in the early 1930s and post-Second World War reconstruction. Confronted with such crises, great men responded with vision and vigour to these two historic challenges. Two brilliant economic innovations rescued vast regions from poverty and destruction: the New Deal, created by President Franklin Roosevelt, and the Marshall Plan. We need not go into the details of how and why they succeeded. What we need is the launching of a third brilliant innovation in this century by international leaders with vision and based on a concerted international effort.

There are some currently ongoing efforts, but they appear peacemeal and unconcerted. For instance, the Brady Plan deals with debt. The Uruguay Round deals with problems of world trade. There is a need for an integrated approach that can deal with all the present global economic problems. We call it a "New Global Covenant", which should aim, first, at reviving the world economy for the benefit of both developed and developing countries; secondly, at promoting world peace and stability through prosperity and co-operation; and, thirdly, at integrating the world into a truly global economy involving all regions and preventing the marginalization of the third world.

A "New Global Covenant" must necessarily involve undertakings by both sides. Thus, the developed countries should commit themselves to provide market access, to provide debt relief, to increase official development assistance and to provide transfers of technology. For their part, developing countries should undertake the necessary structural reforms, provide the requisite political stability and necessary infrastructure for investments and overcome the crisis of governance where that is an issue.

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To elaborate further on our suggestion, first, we think that some form of debt relief must be an integral part of the "New Covenant". We welcome the evolution of approaches to the debt problem, from the Toronto Plan to the Brady Plan to the Mexican package debt renegotiations. In this context we support the call of the Group of 77 for more innovative mechanisms to help reduce significantly the debt burden of developing countries. The debt issue is obviously a complex and complicated problem that cannot be discussed in depth in this statement. Instead, we recommend the lucid approach that is discussed in the study on debt reduction by the World Institute for Development Economics Research, chaired by Dr. Johannes Witteveen.

Secondly, we suggest that the leadership required to develop the "New Covenant" may perhaps be provided by a consortium of developed and developing countries, with implementation through various international agencies that have the expertise.

Thirdly, we feel that the response of the developed countries should not remain evasive or vague. Time is running out for many developing countries. However, some developed countries may argue that they have run out of new resources and cannot find any more funds to allocate for official development assistance. Developing countries will find that argument hard to understand, especially in light of current efforts to help the new democracies.

In tackling our present global economic difficulties it is useful to search for intellectual antecedents and to see how great men in the past managed to overcome adversity. We have suggested comparisons with the New Deal and the Marshall Plan and have proposed a new covenant. The idea of a new covenant may appear revolutionary to some. But if we look back in history we can recall another path-breaking suggestion by a great English economist, John Maynard Keynes. He

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proposed, in his perceptive book The Economic Consequences of the Peace, the idea of an international loan of $1 billion, a vast sum in those days, to assist European countries to recover from the destruction of the First World War and to help them with heavy war reparations. Just as much of Europe was devastated and prostrate after the destruction of the Second World War, much of the third world today is prostrate from the debt burden and other economic problems. If Keynes were alive today, he would surely understand and argue for a similar effort to assist developing countries. He would agree that a prosperous third world would, through the multiplier effect, help increase world economic growth.

The alternative to successful international economic co-operation is grim, namely, a slow and continuing decline for many third world countries, while the developed countries build themselves into economic fortresses surrounded by a favoured few allied developing countries. The global economy will lose economic growth from missed opportunity cost. The global environment will continue to deteriorate under the ecological stress generated by population pressures and poverty. The differentiation between rich and poor will become sharper, but it will not be a better or a happier world for the rich. We must thus look for new ideas to jump-start or fast-forward economic growth in the third world.

As we stand on the threshold of the 1990s the choices are clear. One scenario leads to a more integrated world and working in economic partnership. The time has come for a new approach. Thus, the idea of individual nations seeking self-sufficiency has given way to international economic co-operation. In this context developing countries have watched with interest the expeditious establishment of the European Bank for Reconstruction and Development for Eastern Europe, which is a symbol of hope that perhaps a similar effort could be launched for countries most in need.

(Mrs. Chan, Singapore)

The first scenario predicts that in the 1990s we are likely to see a more differentiated world, with many third world countries being marginalized. That danger has been clearly spelled out in the views expressed by the Vienna chapter of the Group of 77 when commenting on the fourth United Nations International Development Strategy. It stated:

"Developing countries as a whole now appear to be running the risk of marginalization in an intensified process of globalizing industrial production. Real foreign direct-investment flows to developing countries have decreased substantially, as has their share in total foreign direct-investment outflows from developed market economies."

Singapore is deeply committed to building a more just and equal world. Towards that end we strongly support all efforts to create a new global covenant, which should focus on developing a new economic partnership between North and South. Singapore's future is intimately linked to and dependent on a growing global economy characterized by expanding world trade, stability in international financial and monetary systems and viable international economic institutions. We believe that we all share a common economic future, and that it is necessary to adopt an integrated approach in promoting sustainable economic growth.

Mr. MORTENSEN (Denmark): Allow me, first of all, to congratulate Ambassador Joseph Garba upon his election as President of the eighteenth special session of the General Assembly - the first special session since 1980 devoted to international economic co-operation - and to extend these congratulations also to the other members of the Bureau.

The Foreign Minister of Ireland, speaking on behalf of the European Community and its member States, has already, at the outset of this debate, put forward the Community's position on the subject-matter before us. I shall therefore limit myself to a few supplementary remarks, pointing to some of the issues which are of particular concern to my Government.

I have the advantage of speaking fairly late in the debate, thus being able to draw on the observations already made by the many preceding speakers. One of the most encouraging features of the discussion has, in our view, been that developments in Central and Eastern Europe - and the further integration of these countries in the global economy - have in general been viewed not as a threat to, but rather as a means of further enhancing, North-South co-operation. My Government fully shares this view. There is no doubt that the improvements in East-West relations which we are witnessing at present will have a lasting and positive impact also on the development prospects of third world countries. Another important feature of the debate has been the strengthening of democratic institutions and practices in a great number of developing countries as well - a trend which marks a new turn in global developments. The general thrust of the discussion has been one of realism and pragmatism, which bodes well also for the fourth international development strategy, to be adopted later this year.

We all agree that the developing countries have, each of them, the ultimate responsibility for the formulation of their own development policies and

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strategies. We also agree that external support is needed - whether in the form of a favourable international economic environment conducive to sustained non-inflationary growth and/or in terms of direct assistance to the poorer countries - if these countries are to succeed in recreating growth and development. Both points of view are encaptured in the notion of partnership in development. It is, of course, somewhat easier to define this concept than it is to fill it out. A few points, however, seem to be of crucial importance.

The first is that external assistance will have the intended effect only if sufficient domestic policies are in place. A sound economic policy, conducive to the stimulation of market forces and the creation of room for private entrepreneurship, is thus a fundamental requirement for a sustained growth strategy. Furthermore, in an increasingly interdependent and constantly changing world, national policies cannot be static. There is a need for continuing structural adjustment efforts in national development strategies.

The second point is that there is a vital link between effective and equitable economic systems on the one hand and open, democratic political systems on the other. The release of human potentials is indeed both the goal and the means of development. Stimulating the productive energies of people, encouraging broader participation of all in the development process and ensuring a more equitable sharing of the benefits are central elements in this regard. Participatory development implies more democracy, free flows of information, a greater role for local decision-making and self-government and for the non-governmental organizations, and respect of human rights, including effective and accessible legal systems. It also implies concrete efforts focusing on alleviating poverty and on activating and fully utilizing the development potential of women as one of the most important means of recreating economic growth.

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The third point is that short-term development plans and strategies must always be seen as part of longer-term efforts, which must be environmentally sound and sustainable. There is a clear need for effective policies to protect the environment and the national resource base. In this context, concrete efforts should be made to address the interrelated issues of environmental degradation, poverty and unsustainably high population-growth rates. Environmental concerns therefore must be integrated into the development planning and decision-making processes in all sectors of the economy - and this will require also effective institution-building in the field of the environment.

Those three points provide a formidable challenge to most developing nations. To restructure the economic system along market terms, to develop a pluralistic political system with the active participation of all, and to change the developmental perspective, taking fully into account long-term environmental sustainability, will not be an easy task. There is, however, in our view no alternative. Even if developing countries were to do it alone, this would be the agenda for change if these countries are determined to make the 1990s the decade of revitalization of growth and development.

The developing countries will not stand alone, however, in meeting these challenges. Their national efforts will be supported by the developed countries. I should like here also to emphasize a few points of crucial importance to my Government.

The first is that it must be clearly recognized that the responsibility for an international economic environment favourable to the interests of the developing countries lies primarily with the major developed countries, whose economic policies are of crucial importance to the world economy. As already stated by the Foreign Minister of Ireland, the European Community, as one of the major economic

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entities, is already pursuing policies in the areas of trade and commodities, which clearly shows our determination to provide further opportunities to our developing-country partners. The establishment of the single market will create a new momentum for exports from developing countries.

The second point is that there is a strong need for increased official development assistance, especially in support of the adjustment efforts of the poorer developing countries. My Government is seriously concerned with the stagnation flows of official development assistance during the last decade. Renewed efforts to reach the internationally agreed target of 0.7 per cent is strongly called for, and we hope that this special session as well as the subsequent fourth international development strategy and the Conference on Environment and Development in 1992 - which, inter alia, will focus on the need for additional resources to address the international environmental agenda - will be able to bring about new developments in this regard. Denmark has in its development-assistance policy consistently committed itself to a high and continuously growing level of official development assistance. In 1989 Danish development assistance amounted to 0.91 per cent of the gross national product and, by yearly increases of 0.03 per cent, it is our goal to reach the level of 1 per cent by 1992.

The third point is that the very serious debt problems facing many developing countries can be solved only through continued efforts by debtors, official as well as private creditors, and the international financial institutions within the framework of the established strategy.

(Mr. Mortensen, Denmark)

Sound adjustment undertaken by the debtor countries must be met with increased external financing through the multilateral development institutions and bilateral assistance programmes. As concerns the need for debt and debt-service reduction, the efforts undertaken in the framework of the Toronto agreement and the Brady initiative must be more effectively implemented. We should bear in mind that debt and debt-service reductions will not in themselves bring about a reactivation of economic growth. Resources must also be provided for productive investments, and private creditors must assume a greater financial role both in debt-reduction agreements and as providers of new money.

The developmental challenges facing the least developed countries are of particular concern to my Government. The 42 least developed countries represent some of the weakest economies in the world, and their needs for external support are of a much more fundamental nature than is the case for developing countries at large. The conference in Paris in September should provide a crucial opportunity for reaffirming the support of the international community to this group of countries, not least in financial terms through tangible action aimed at reaching the agreed aid target of 0.15 per cent.

The developmental aspirations of developing countries and the need for a "partnership in development" cannot be more clearly illustrated than by our admission of a free and independent Namibia as the 160th Member of the United Nations. My Government pledges its full support to the Government and people of Namibia in taking up the tremendous challenge of ensuring economic growth and sustainable development in a country so long oppressed.

Mr. DINH NHO LIEM (Viet Nam) (interpretation from French): The delegation of the Socialist Republic of Viet Nam warmly welcomes the initiative for convening this most timely special session of the General Assembly devoted to international economic co-operation.

(Mr. Dinh Nho Liem, Viet Nam)

On this occasion I would like to extend my warm congratulations to the President of our special session, Mr. Garba of Nigeria, and to the Secretary-General of our Organization, Mr. Javier Perez de Cuellar. I wish in particular to take this opportunity to convey my people's warmest greetings to the delegation of the Republic of Namibia, the representatives of a heroic people who have triumphed in a long and arduous struggle for their independence and freedom and therefore have occupied their rightful place in our Organization.

We have now entered the last decade of the twentieth century at a time when a new stage of the scientific and technological revolution has brought the productive forces and the internationalization of the world economy to an unprecedented level of development, thus creating new opportunities as well as new challenges for development. The demand for development has become more urgent than ever and co-operation at both global and regional levels has been promoted.

Caught up in the race for economic, scientific and technological development, the developing countries are facing the most serious challenges. The gap between the advanced developed countries and the developing countries, far from being narrowed, is being ever widened. The growth rate of the developing countries is now at the lowest level in the last three decades. Their economies are burdened with negative phenomena, such as the low price of primary commodities, high interest rates, monetary and financial instability, trade protection measures carried out by developed countries against developing countries' exports and external debt which reached $1.3 trillion by the end of 1989. Developing countries' intiatives and efforts aimed at restructuring existing international economic relations so as to establish a new international economic order have failed to bring any results. Furthermore, many countries in Asia, Africa and Latin America continue to be victims of armed intervention and aggression and of outdated

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cold-war policies, such as encirclement and economic blockades which deprive them of the chance for economic development.

In the 1990s these challenges will become ever more acute for the developing countries. Unless the present situation is improved, the backwardness of most of the developing countries will grow worse, making the problems in international economic relations more serious. For this reason, the task of this special session is of particular importance for strengthening international economic co-operation in the interest of the stable development of the world economy in general and the economies of the developing countries in particular. Today, as interdependence has increased to an unprecedented level, the industrialized countries cannot develop favourably without helping to assure the stable development of the less developed countries and the healthy development of the entire world economy.

Development requires that every country take an active part in the international division of labour and the strategy of international openness has become an irrestible trend. However, the developing countries can benefit from the new favourable conditions only if they have a sound development strategy and build their strength through independent development policy, bringing their potential into the fullest play. Otherwise interdependence will be transformed into a one-way dependence on some industrialized countries.

In the light of this approach, we are essentially in agreement with the proposal submitted by the Group of 77 in document A/AC.233/L.3. However, we wish to emphasize the following points:

In resolving the questions of finance, money and tariffs, the industrialized countries must take into account the common interests of the entire international economic environment. In particular they must fully abide by their commitments to

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provide aid, to transfer technology and to put an end to their policy of discrimination, encirclement and blockade, in particular as pursued against developing countries.

Such global questions as the foreign debt, population, environment and ecology require global solutions, implying a new responsibility shared by all countries, with the industrialized countries clearly capable of bearing a greater share. The competent organizations and specialized agencies of the United Nations should give priority to extending assistance to the developing countries.

(Mr. Dinh Nho Liem, Viet Nam)

The new international environment requires that each country adjust its development strategy so as to assure growth in the service of the working people, the driving force of all social and economic development. The expansion of international economic co-operation is an absolute necessity for the developing countries. Regional and subregional co-operation is becoming a strong trend owing to the advantages inherent in geography, communications and transportation as well as the relative similarity in historical economic and social conditions. The problem of countries producing the same products and the problem of the shortage of capital can be solved through the division of labour on the basis of specialization and co-operation between countries in the same region as well as between them and the industrialized countries outside their region. It is quite clear that today international economic co-operation has acquired a highly complex character and has various dimensions: North-South, South-South and East-West; indeed, multilateral frameworks have been established for each of those dimensions.

An indispensable prerequisite to ensuring the development of the world economy is peace, peace for all nations, and co-operation on the basis of respect for each other's independence, sovereignty and mutual benefit. More than ever before, peace, national independence, development and social progress are the ardent aspiration of every nation, and their attainment requires the concerted efforts of the entire international community.

Forty-five years ago this month, the guns of the Second World War were silenced in Europe, and some months later in Asia and the Pacific. For the past 45 years, many countries of Asia and the Pacific and of other parts of the world have enjoyed peace during the period of their development efforts, whereas the Vietnamese people have undergone successive fierce wars for the independence, freedom and reunification of their homeland. For the past 10 years they have been

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victims of the brutal policies of political and economic encirclement and isolation. That is why the Vietnamese people, more than anyone else, desire favourable international conditions and a lasting peace in order to promote national construction and defence, to stabilize the conditions of life and economic development, and to make a contribution to the world's common cause of peace, national independence, democracy and social progress. Nothing can divert us from those lofty objectives.

Over the last three years we have been engaged in renovation in all fields. In the economic sphere we have been proceeding with restructuring, thus creating favourable conditions for the development of all economic sectors, concentrating our efforts on the development of production of food and foodstuffs, consumer goods and goods for export. We have abolished the bureaucratically centralized mechanism based on State subsidies and have applied a market mechanism in combination with planning at the macro level as well as expanding foreign economic relations with other countries. Thanks to the process of renovation, we have recorded a number of important initial achievements in the socio-economic field. While in the years 1986 to 1988 there was yearly triple-digit inflation, since the middle of 1989 inflation has been reduced considerably and prices have gradually been stabilized. While in past decades Viet Nam regularly had to import food grain, Viet Nam has now become a food exporter. Its co-operation with other countries has been increasingly expanded. Viet Nam's liberal law on foreign investment has resulted in the establishment and operation of hundreds of joint-venture enterprises. These initial important results have testified to the fact that the situation in Viet Nam is stable and that our policy of renovation, as well as the steps we have taken, is sound.

(Mr. Dinh Nho Liem, Viet Nam)

We are, however, confronting many difficulties due to the still low level of development, poor infrastructure and the high rate of population growth coupled with continued blockade and embargo, and so on. For the sake of the well-being of the people and the development of the country we will persevere in our renovation, making every effort to develop comprehensive relations with all the countries of the world regardless of their socio-economic system and on the basis of equality and mutual benefit.

In the economic field, Vie Nam is endowed with abundant natural resources and well situated as regards international transportation and communication networks. Viet Nam is located in a region of dynamic development, and it has an abundant industrious and educated work force. Our doors are wide open to whoever wishes to co-operate with us, to all brotherly and friendly countries near and far, as well as to all international organizations. Viet Nam is determined to work together with the international community to achieve a world of peace and co-operation based on equality and mutual benefit for the development of the whole of humanity as we approach the threshold of a new century.

Mr. MALIMA (United Republic of Tanzania): Allow me at the outset to extend to Mr. Garba my delegation's sincere congratulations on this unanimous election to the presidency of the General Assembly at this special session. The understanding and skill he has already demonstrated in guiding our deliberations guarantee a successful outcome of the work of this session.

Permit me also to join in the warm welcome extended to Namibia as the 160th Member of the United Nations. Namibia's admission to the membership of this universal Organization is a cause for special rejoicing because of what it represents for all of us: the people of Namibia, the front-line States, the majority people of South Africa, Africa, and indeed the world community. For every

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one of them the independence of Namibia is a historic victory, and its admission to the United Nations is a very special occasion. For us in the front-line States it represents victory over one manifestation of apartheid: colonialism. For the United Nations, it enhances human freedom and brings closer its goal of universality of membership. Equally important, it is an inspiration to the majority people of South Africa, who continue to languish under the inhuman and criminal system of apartheid. In welcoming Namibia's admission to the United Nations the international community must bear in mind that the territory of the new Republic of Namibia includes Walvis Bay and the offshore islands, which remain under colonial and racist occupation. The international community therefore has an obligation to support the efforts of the new nation aimed at preserving its territorial integrity.

Tanzania further wishes fully to associate itself with the sentiments contained in the statement of the leader of the delegation of Bolivia, who spoke on behalf of the Group of 77.

It is a well known fact that for most developing countries, and especially the least developed countries such as Tanzania, the 1980s have virtually been a lost decade. The sharp decline in their export earnings, coupled with phenomenal increases in the prices of our imports led to serious foreign-exchange shortages and chronic balance-of-payments deficits. This in turn adversely affected not only our capacity to undertake new investments but, even more significant, our ability to maintain existing production and other infrastructural facilities.

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Thus gross underutilization of existing productive capacities coexisted with a situation characterized by extreme scarcities of commodities which could have been produced from the severely underutilized facilities. Similarly, infrastructural and other social service facilities progressively deteriorated owing to inadequate or even non-existent maintenance.

The net result of all this has been a decline in the growth rate of the gross domestic product and ultimately a sharp deterioration in the living standards of the general population in comparison with the levels attained during the 1960s and the 1970s. Moreover, the debt-servicing obligations, by demanding from those countries more than could be considered a reasonable and bearable proportion of their normal export earnings, rendered an already unsustainable situation even more intolerable.

Indeed, the credibility of the Governments concerned was seriously undermined, even among their own people, as extremely scarce foreign exchange resources, which would otherwise have been used to import desperately needed medicines, educational materials, agricultural inputs and industrial raw materials, were diverted to service an external debt. It is appreciated that a number of African countries were able to reschedule their debt obligation through the Paris Club, and this has facilitated the release of some resources for operational and developmental activities during the adjustment period. Such arrangements have not, however, offered adequate relief to those countries which have a large proportion of their external indebtedness not subject to rescheduling.

Facing such daunting and unprecedented economic difficulties, at times even threatening the very survival and fabric of the societies in question, many developing countries, out of desperation, have been forced to go to the international financial institutions for whatever assistance they could get. Those

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institutions insist in their adjustment programmes on conditionalities, which are almost without exception required of all developing countries seeking their assistance. Such conditionalities include massive exchange-rate devaluation, high interest rates, drastic reduction in government expenditures, credit and wage restraints and price decontrol. The fact that some, if not most, of those policy prescriptions presuppose a certain amount of structural flexibility, which is normally lacking in a developing economy, is usually ignored.

In general, the adjustment policies pursued seem to be incomplete, if not altogether inappropriate, given the state of our economies, because, first, the measures pursued have been implemented as if fiscal, trade and price balances were ends in themselves and were virtually complete for stimulating the required production increases; and secondly, given the magnitude of the external and internal imbalances, as well as the weak economic structure, implementation of adjustment programmes has led to considerable social costs, especially to the vulnerable groups. Such economic and social costs have increasingly become a source of concern among policy makers in many developing countries.

Needless to say, while such adjustment policies and programmes may to a certain extent have facilitated improvements, particularly in agricultural production, as was the case in my own country, the United Republic of Tanzania, as well as the provision of consumer goods in the shops - commodities which few people can afford in any case - it is on the socio-human dimensions that the cost of the International Monetary Fund-World Bank type of adjustments has been incalculable. The first casualty of the drastic budgetary cuts, for example, was the neglect, almost to the point of total collapse, of such critical social services as education and health, with serious consequences for the welfare of the ordinary

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population. Similarly, the freezing of wages, coupled with general price decontrol, has reduced the purchasing power of practically all public-service employees below subsistence level. It is therefore not uncommon now to find that the monthly salary of a government employee, for instance, is hardly adequate to pay for even one basic item, such as food, for a week. To the extent that such effects directly impinge on people's morale and motivation, the possibility that the adjustment process itself, let alone the prospects for long-term development in the developing countries concerned, could be undermined is hardly an overstatement.

Let me hasten to add that what is at issue is not adjustment per se but, rather, the modality and speed of adjustment. Indeed, if only the note of caution from the developing countries themselves had been heeded, a great deal of unnecessary human suffering, let alone expenses on such projects as the human aspects of adjustment or the social dimension of adjustment, would definitely have been avoided. There is a clear case for democratization of decision-making, even in this instance, in the sense that the views of those most directly affected by the adjustment programmes and policies - in this case the people and the policy makers in the developing countries - must be taken seriously.

It is therefore necessary to ensure that whatever adjustment programmes are designed should from the outset integrate the social dimensions. In addition, such programmes should concentrate on arresting the decline in the delivery of social services, ameliorating the plight of both low-income and vulnerable groups, such as women and children, and reducing the urban-rural disparities. Moreover, deliberate efforts have to be directed at reducing the dangers of the environmental destruction. While poverty in developing countries makes it difficult to undertake environmentally sound development programmes, its systematic eradication would contribute significantly to the protection of the environment.

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A review of what happened in the 1980s is useful only to the extent that it provides us with relevant experience with which we can face the future. Indeed, there have been mistakes. But equally there have been numerous lost opportunities. Thus one clear lesson of the past is that while the Government of a developing country can do much to promote and stimulate development, it must not try to do everything. First, the capacities of the people themselves for creativity, innovativeness and, above all, self-reliance should be exploited to the maximum. Indeed, a great deal has been said and written about self-reliant development. Yet not so much has been done to put that doctrine into practice. Thus the dependency syndrome remains entrenched even in those areas and activities in which the developing countries could effectively help themselves.

Moreover, the developing countries as a group are at different stages of economic development. Some of them are at a relatively advanced stage of both industrial and technological development, while others, like the United Republic of Tanzania, are in the category of the least developed. Thus the possibilities for mutual co-operation and assistance among the developing countries have not yet been fully exploited. The work of the South Commission represents a major and historic step towards the realization of that objective. The United Republic of Tanzania is optimistic that the work of the high-powered South Commission will enrich our perceptions and facilitate our endeavours to grapple with the challenges of the 1990s and beyond.

Many delegations which have spoken before me have repeatedly emphasized the reality of interdependence, not only between the developing countries but also between developing and developed countries. In the case of international trade, for example, one country's deficit is another's surplus. Similarly, one country's debt is another's credit, and so on. Thus the problems of deficit countries or

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indebted countries, for example, cannot be adequately dealt with in isolation, without the co-operation of the surplus or creditor countries, respectively.

Moreover, the aptly emphasized problem of deterioration of the terms of trade of developing countries is essentially a problem of selling cheap and buying dear, a situation which is clearly unsustainable in the long run. Of course, the developed countries which face a reverse situation - they buy cheap and sell dear - do not appreciate the urgency of the matter in the same way as the developing countries do. Since developing countries lose each year, through the deterioration of the terms of trade, much more than they receive in official development assistance, the need for concerted international action to devise an equitable trading arrangement can hardly be overstated.

The fact also remains that the development process has not only national but international dimensions. At the national level, the right inducements and an environment that facilitates the maximum mobilization of domestic savings and other resources have to be created. Similarly, internal policies should be such as to motivate the various actors, so to speak, to produce and do more of what is needed. Nevertheless, beyond that there is the international dimension as well. That is to say, domestic savings and other resources have to be transformed into equipment, raw material, technology and management, which often have to be brought in from outside.

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Thus, there is the question of access to the markets of the developed countries, not only for unprocessed but also semi-processed and manufactured products of the developing countries. In order for developing countries to import from outside what they require for their development, they must in turn be enabled to export at remunerative prices. However, this cannot be achieved if such problems as the external indebtedness, market inaccessibility for exports, stable commodity prices, transfer and absorption of modern and appropriate technologies to developing countries do not find the necessary solution to enable these countries to achieve sustained, durable and equitable growth and development. Tanzania is hopeful that this special session will address itself adequately to these issues with a view to achieving mutually beneficial international economic co-operation between developed and developing countries.

The development requirements of the developing countries, and especially the least developed countries among them, are such that they cannot all be met through their own export earnings alone. They need to be supplemented substantially by other forms of external resource inflows, like official development assistance, as well as direct foreign investment. While the developing countries themselves can do a great deal, especially in making their respective domestic environments attractive to foreign investors, the developed countries, from where the foreign investors originate, can also facilitate investment by their nationals in developing countries. Moreover, there has been a noticeable decline, in both relative as well as real terms, of official development assistance to developing countries. What is equally disturbing, such assistance often tends to be tied to conditions which are not only unacceptable but objectionable.

Many speakers before me have aptly reiterated the importance of an external debt moratorium, cancellation, forgiveness and the like, in order to ease the

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resource constraints of developing countries. To be sure, some positive developments have already taken place, especially with regard to the cancellation of the external indebtedness of low-income countries. Thus, those low-income countries which have not yet agreed on a programme with those sister Bretton Woods institutions are excluded even when everyone knows and actually agrees that their need for such external debt moratorium is genuine.

Tanzania joins the voices of those delegations which have called for a concerted approach to the external debt problem, instead of the present piecemeal approach where each indebted developing country is individually forced to negotiate with a cartel of creditors. A co-ordinated approach cannot be desirable for creditors but unnecessary for debtor countries, unless one is looking for "divide and rule" advantages.

This special session of the United Nations General Assembly is taking place at a critical moment in the history of the Organization. The far-reaching changes taking place in Eastern Europe, as well as the practical experience of the 1980s of the developing countries, have in a way rendered old myths and prescriptions obsolete as they opened up new realities.

If, at the very minimum, this special session is able to bring all parties much closer to reality, especially in appreciating that the development process, by its very nature, is a complex multidimensional and necessarily long-term one, calling at the same time for mutual patience and understanding, then our travelling all the way to New York will not have been in vain.

We are convinced that the challenges of the 1990s and beyond should be confronted in the context of increasing interdependence and co-operation. All of us inevitably have a collective responsibility to find equitable and durable solutions to the problems faced by the developing countries through the revitalization of their economic growth and development.

Mr. PEERTHUM (Mauritius): It is a pleasure again to welcome Mr. Garba as President of the General Assembly at this special session on international economic co-operation. His experience and guidance will be of immense assistance to us in what have proved to be extremely protracted negotiations for the elaboration of a draft declaration.

At a time when the world economy is undergoing historic structural changes, such a document aspires to lay out new foundations for the revitalization of economic growth and the sustainable development of developing countries for the next decade.

As a result of these transformations, we are now witnessing the emergence of what an economist has termed "a fractured global order, an order that is global but not integrated", where the pace of change is making the planet more interdependent and at the same time less able to manage the uncertainties and instabilities of change.

The present session is therefore taking place at a crucial moment, not only to help us reach a common understanding on the broad issues of the world economy but also to design a coherent framework for fresh and innovative policies within a new global agreement on international economic co-operation.

Our deliberations this week will be of capital importance for the elaboration and adoption later this year by the General Assembly of an international development strategy in the context of the Fourth Development Decade. Only then shall we really know whether there exists a new consensus for tackling the problems facing the world economy, or whether the economies of developing countries will be doomed to increasing marginalization.

These gloomy thoughts, which ever haunt our minds in these difficult times, were brightened this week by a ray of sunshine and hope when we rejoiced in welcoming in our midst the Republic of Namibia. It was a reminder that the

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remnants of colonialism are disappearing and the struggle for the liberation of South Africa is fast coming to its close.

The United Nations fulfilled its international mandate in Namibia in an exemplary fashion. The success of our Organization has enhanced its international stature at a time when it is being called upon to assume greater responsibilities in co-ordinating a comprehensive examination of the world economic situation and seeking durable solutions to redress the growing external and internal imbalances within developed market economies and release developing countries from the tyranny of debt, economic stagnation and social crises.

There is general agreement about the need for continued growth in the world economy in the 1990s. There is also agreement that development should have a more human face. Revitalization and the achievement of sustainable growth should not be undertaken at the expense of social goals, such as the alleviation of poverty, education, training and environmental protection. However, the realization of these objectives hinges to a large extent on the resolution of the debt crisis. The hopes of a North-South dialogue for partnership in development were dashed by a recession. The promises of the Lagos Plan of Action 10 years ago, and the United Nations Programme of Action for African Economic Recovery and Development 1986-1990, remained unfulfilled throughout the "lost decade".

It is evident that there are shared responsibilities for such failure.

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Early in the decade, when the lure of easy flowing capital was almost irresistible, it was sometimes difficult to tell who were the sirens and who the sailors. Today the debt of developing countries has reached $1.3 trillion, and our financial mariners know better. Sadder and wiser, they are almost always sailing either too close to the wind or hoping for a breath of air on the Sargasso of their economies, while the sirens have vanished behind their vaults.

Debt servicing and high interest rates have created negative financial outflows and a debt overhang which inhibits any prospect for genuine growth or recovery. The situation has been further exacerbated by major imbalances among industrial countries.

It is increasingly recognized that debt repayments should be linked to a reasonable and bearable percentage of export earnings. Commercial debt especially should be dealt with within a commonly agreed framework and through mechanisms that would eventually ensure greater continuity, predictability and security in financial flows. The idea of an internationally financed debt reconstruction facility, which has so far been ignored by major international financial institutions, would deserve greater attention in this regard.

World financial markets have registered inexorable expansion and globalization through networks of sophisticated transactions. As we gain deeper insights into their influence on world economic interdependence, we realize that the world economy can ill afford monetary absenteeism and indifference to global aspirations for equitable development and sustainable growth.

Our commitment to multilateralism ought to be reinforced by the current relaxation in international political tension rather than hindered by the constitution of huge regional blocs and a tendency to divide the world into new spheres of economic influence. The shaping of a new kind of development depends

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thus on a number of important issues which have become increasingly interrelated at a global level and require greater co-ordination for decision making.

The human dimension is an essential aspect of development planning likely, under present circumstances, to receive inadequate attention, unfortunately.

It is often said that among developing countries progress has been impaired by lack of proper domestic economic management. The inadequacies of governance and institutions, however, should not be a pretext for curtailing efforts and investments for education, the improvement of social infrastructures and the alleviation of poverty. These are essential priorities for successful development.

The means to pursue these objectives depend largely on trade. But developing countries face serious obstacles in the present international trading environment. The proliferation of non-tariff barriers, the restriction of access to markets and low commodity prices have combined to reduce the comparative advantage of some developing countries in competitive exports and aggravate the recession in other least developed countries.

The current discussions under the Uruguay Round will attempt to remove such discriminatory measures and reinforce the mechanisms of the General Agreement on Tariffs and Trade. Here, too, a global approach to the problem is necessary.

In conclusion, I should like to touch briefly on the question of the environment. Managing the resources of the planet to ensure sustained growth and protect the environment is a challenge that is ahead of us during this decade. It will demand considerable change in consumption habits and less waste. There are signs of the former but little of the latter yet. The degree of "ecological stress" that the earth can endure is being measured with increasing scientific accuracy. The scope for manoeuvre is diminishing. Options for reforms will require greater ability for decision at the national level and better understanding

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at the global level. We hope that the conference on the environment in 1992 will achieve such a balance.

Our work during this session should open the way for innovative forms of co-operation and foster a greater degree of cohesion and solidarity around the many facets of development.

Mr. DIDI (Uganda): I should like, on behalf of the Uganda delegation, to congratulate Mr. Garba most warmly on his election to preside over the General Assembly at its eighteenth special session, devoted to international economic co-operation and the revitalization of growth of developing countries. I am confident that given his diplomatic skills and experience he will successfully guide our deliberations.

It is with a great sense of pride and satisfaction that Uganda welcomes the Republic of Namibia as the newest Member of the United Nations. It is only fitting that Namibia should have taken its place as the newest member in the General Assembly under Mr. Garba's presidency, as he personally and his country have been dedicated to the struggle for self-determination and the eradication of apartheid. We salute the people and the Government of Namibia for their heroic victory against Pretoria's illegal occupation. Our appreciation also goes to the Secretary-General, his Special Representative and the United Nations Transition Assistance Group staff who carried out their work in the course of the transition period with distinction.

Perhaps it is worth reminding ourselves that we are meeting here to consider and adopt measures for strengthening international economic co-operation, especially how sustained growth and development in developing countries can be secured. The twentieth century has witnessed unprecedented progress in scientific and technological development. This has contributed greatly to the economic and

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social well-being of a number of countries. However, the benefits flowing therefrom have not been equitably distributed. We enter the last decade of the century with many countries still gripped in the trap of poverty, malnutrition and stunted growth, if any growth at all. Many speakers who have preceded me have ably referred to the difficulties facing the world economy. These include: deterioration and collapse of commodity prices; ever-increasing debt burdens, with the attendant net outflow of resources to developed countries and multilateral financial institutions; upsurge in protectionist measures; high interest rates; volatile exchange rates; and decline and low levels of official development assistance.*

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* Mr. Huslid (Norway), Vice-President, took the Chair.

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In Africa, prospects for long-term economic growth and sustained development remain bleak despite the tremendous efforts and sacrifices countries in the region have made towards structural adjustment reforms and economic transformation, often at very high socio-economic and political costs. As the President of the African Development Bank observed in his statement during this session:

"We are witnessing not a transient phenomenon of little significance, but a protracted period of economic retrogression." (A/S-18/PV.4, p. 166)

With each passing year, this prolonged retrogression has inflicted upon the continent declines in living standards and ruptures in the social fabric so pronounced and so pervasive that many of the gains of the early post-independence era have been lost. And the prospects for the future seem bleak and discouraging.

We considered it timely that the thirteenth special session of the General Assembly, in 1986, took a decision and adopted a comprehensive programme of action for Africa, the United Nations Programme of Action for African Economic Recovery and Development 1986-1990. Africa has lived up to its obligations in the implementation of the Programme by putting in place policies of economic reform and adjustment. It was expected that the international community would lend its full support to the Programme. However, even at the time of the mid-term review in 1988, that support was far below expectation. The financial assistance committed in support of the Programme was not only inadequate; its disbursement was not timely and was tied to performance bench-marks that were too unrealistic to have any meaningful impact.

Moreover, most of the assistance provided was targeted to deal with short-term financial imbalances without addressing the problem of the long-term transformation of the economies with which the recovery Programme was meant to deal. As a result,

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Africa's long-term economic problems remain unresolved and continue to pose a serious threat to the future economic growth and development of the region.

The Lagos Plan of Action defines Africa's priorities and strategies for long-term growth and development. That Plan remains as valid today as it was when adopted in 1980. Our experience with structural adjustment programmes, which we have had to adopt at the urging of donor countries and multilateral financial institutions, shows that those programmes have failed to bring about the desired goals and objectives. Indeed, one would be hard pressed to find a genuine success story for those programmes.

In the circumstances, therefore, Africa has had to come up with an alternative programme, now widely known as the African Alternative Framework for Structural Adjustment Programme and Transformation, built on the foundation of the Lagos Plan of Action. The Programme is meant to redress structural bottle-necks and imbalances, develop the capacity to adjust to internal and external shocks and provide for long-term structural transformation and sustained development.

In order for that Programme to succeed, it is essential to have an enabling international environment, especially in the interrelated areas of money, trade, finance and debt, that is conducive to growth and development. It is a sad commentary that the number of the poorest countries, known as least developed countries, has jumped from 31 in 1980 to 42 today, with the original 31 experiencing a further deterioration in their economies. In those countries, per capita income has decreased, the ratio of investment to gross domestic product has declined, the balance-of-payments disequilibrium has worsened, shares of world trade have shrunk and their stock of debt has substantially swelled.

The international community, in particular the donor countries and multilateral financial institutions, should take the lead and demonstrate real

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political commitment by providing the tangible support necessary to revitalizing the economic growth and sustained development of the developing countries. Those countries and institutions should undertake real structural policy reforms and adjust their trade, domestic, fiscal and structural imbalances with a view to providing developing countries with a global economic environment conducive to socio-economic growth and sustained development. The support to be extended to developing countries should not be linked to any form of conditionality or cross-conditionality and should be in full conformity with the development needs, objectives and priorities of recipient countries.

There is an urgent need to complement the efforts of the developing countries, particularly the least developed countries, with increased, substantial real net resource flows to those countries at preferential and concessional terms. That will avail them of the required investment capital to develop and modernize their productive capacity and to meet their pressing social needs. In that regard, the donor community and multilateral financial institutions should substantially reduce the stock and the service of the external debts of developing countries without any conditionalities through, inter alia, cancellation, reconversion to grants, rescheduling, and so on. Appropriate measures should be encouraged to increase substantially the export earnings of developing countries by consolidating and broadening their special and preferential treatment, facilitating unrestricted access to international markets, eliminating any form of protectionism and offering remunerative and predictable commodity prices.

The issue of commodity prices is particularly pertinent to the survival of commodity exporting developing countries. Unstable and unpredictable commodity prices have had devastating effects on our economies. In the case of Uganda, for example, our balance of payments is dependent and will continue to depend for some

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time on coffee-export earnings. The current account has been adversely affected by the sharp decline in coffee prices resulting from the collapse of the International Coffee Agreement. In 1989 alone, Uganda lost half of its export earnings from coffee, although the volume of coffee exported was the highest ever recorded. It is imperative that agreement be reached on the International Coffee Agreement to allow for stable and predictable coffee prices.

In a further effort to stabilize commodity export earnings, we welcome the establishment of the Common Fund for Commodities, which became operational in 1989. No effort should be spared to improve schemes for compensatory finances, as that will greatly help to enhance resources at the disposal of commodity producing developing countries.

The Uruguay Round of trade negotiations should be an instrument for strengthening the multilateral trading system and for enhancing the export prospects of the developing countries in accordance with their trade and development needs. In that regard, we see the successful outcome of the Uruguay Round as an opportunity to provide access for the export commodities of developing countries to the markets of the developed world as one way of raising resources needed for economic growth and development.

Developing countries are responding to the problems and challenges inherent in the international economy. We are encouraged by their efforts towards greater economic co-operation and integration at regional and subregional levels for their own mutual benefit. Uganda gives high priority to those efforts because, in our view, they could serve as a mechanism for expanding trade and investment in developing countries and hence contribute to the attainment of the long-term structural and economic transformation of those countries. We therefore attach a great deal of importance to our participation in various subregional and regional

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economic groupings, such as the Preferential Trade Area, which covers countries of eastern and southern Africa, the Organization of African Unity and so on.

Further, the implementation of the Caracas Programme of Action adopted in 1981 can enhance economic co-operation among developing countries. Every effort should be made to translate declared objectives into practical co-operative actions. We commend the role of the South Commission in that regard.

The revitalization of the economic growth and development of developing countries must be a shared responsibility of all countries, developed and developing alike, as well as of international financial institutions. We must seize this opportunity to agree on concrete measures that will open new avenues and opportunities for equitable and balanced international economic relations. This requires that the international community go beyond the level of simply making commitments and urgently provide the necessary tangible support.

As we have had occasion to state at this rostrum, the critical challenge before us is to shape the international economic environment in such a way that it will be for the mutual benefit of everyone, in both developed and developing countries alike.

Mr. MONGBE (Benin) (interpretation from French): I take pleasure in once again conveying to the President my delegation's congratulations. The delegation of Benin performed that pleasant task at the time of his unanimous election to the presidency last autumn, and at the sixteenth special session of the General Assembly devoted to the question of apartheid the delegation of Benin also expressed to him the pleasure it felt at seeing him guide the work of the General Assembly with such competence, skill and expedition - qualities that also guarantee the success of this eighteenth special session of the General Assembly on international economic co-operation, in particular the revitalization of economic growth and development of the developing countries.

My delegation would like to take this opportunity to express its satisfaction at the progress the Organization has made in its search for lasting international peace and security, and we are pleased to note a restored confidence in and respect for it. We link those positive results to the remarkable efforts of the Secretary-General, Mr. Javier Perez de Cuellar, whose outstanding qualities are familiar to all of us. We should like to pay a tribute to him and to express to him once again our sincere gratitude.

One of the significant results of the Organization's positive evolution is the independence of Namibia. That event, the happy outcome of the courageous struggle of the valiant Namibian people and the firm commitment of the international community, is also the embodiment of the triumph of the spirit of justice and the right of peoples over the blind, ignorant and degrading force of oppression.

On the occasion of the celebration of the new State's independence at Windhoek the Minister of Foreign Affairs and Co-operation of the Republic of Benin, in communicating the message of His Excellency Prime Minister Nicephore Soglo,

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expressed to the fraternal authorities and people of Namibia the feelings of joy and solidarity, as well as the warm congratulations, of the people and Government of Benin.

My delegation is therefore pleased to welcome the independent State of Namibia as a Member of the United Nations. We take advantage of that solemn occasion to offer it best wishes for success and happiness from the people of Benin.

The climate of détente that now prevails in international political relations could be gravely affected if the international community does not energetically face on the economic level the major challenges which confront humanity with regard to its development.

We have noted - with satisfaction, let it be said - that the decade of the 1980s was marked by great technological and scientific progress in various fields. However, the evolution of the world economy during that decade brought out an intolerable paradox: unlike the the 1960s and 1970s, the 1980s were characterized by an appreciable slow-down in the growth of the world economy, by greater inequality in the distribution of wealth and by a concentration of wealth in the hands of the rich accompanied by a greater marginalization of the poor countries. No part of the South was spared. As for Africa, its situation is particularly serious.

The continuing and increasing drop in commodity prices has led to a serious decrease in revenues for the African countries. The increased difficulties in gaining access to international markets, due to the growth of protectionism, has contributed to a sharp reduction in Africa's share of world trade.

Along with the movement towards falling prices and revenues for the African countries, we are witnessing an unprecedented increase in the prices of equipment and other industrialized products of the developed countries. The negative

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consequences of this twofold and contradictory movement have endangered the investment capabilities of the developing countries.

Repeated increases in interest rates and frequent variations in trade and monetary rates, in addition to their unsettling effect on the international financial market, are exerting a financial stranglehold on most African countries.

The situation is even more tragic in the least developed countries, where the regression of the 1980s has been much more acutely felt. Almost all of them have been forced to abandon national development programmes and have been compelled to make structural adjustments. That has been followed by severe austerity measures which have rarely had the hoped-for positive effects. The deterioration in physical infrastructure persists, as does a deterioration in production capacity and the serial bankruptcy of public or semi-public enterprises, the cost of which increases the financial burden on the State. The social cost is unbearable: continual social tensions and the demoralization and discouragement of the labour market, public officials, workers and farmers. This social anemia has a serious effect on productivity, contributes to a slow-down in economic activity and even brings it to a halt in certain sectors. It is scarcely surprising that in such circumstances the rate of infant mortality is rising, famine is spreading and areas of poverty are growing larger and larger.

The immediate concern of the poor countries is the struggle for survival. Given the paradoxes and contradictions that have led to the economic impasse and stagnation that exist in those countries, we wonder how they can recover. How will Africa be able to recover with an indebtedness equal to 44 per cent of its gross domestic product and a newly created but already costly and non-competitive industry that is already, in certain cases, obsolete? How can it recover when its export products, its main sources of revenue, are devalued and depreciated on the international market?

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A serious and qrave metamorphosis is occurrinq at the expense of developinq countries, particularly the poorest among them. Indeed, in the present-day restructurinq of the world economy against a backqround of crisis for the have-not majority of poor countries, the interdependence beinq urqed upon them is producinq contradictory effects.

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Various forms of protectionism are beinq introduced into the markets of the rich countries of the North, while liberalism is beinq demanded of the developinq countries. There is increased integration of the economies of the industrialized countries, while each day we witness an ever-greater marginalization of the economies of the poor countries. The industrialized countries are strengthening their independence of primary commodities, thanks to the development of micro-electronics and to robotization, which diminishes the importance of production factors. But the developing countries are enduring the repercussions of this situation, and their already-fragile economic position is becoming even weaker. Furthermore, the virtual disappearance of the distance factor in economic relations between countries as a result of the qualitative and quantitative progress in the development of transport, telecommunications and means of information, has made the offensive strategy of the industrialized enterprises and transnational companies even more aggressive, ensuring them a dominant position in virtually all sectors of economic activity, including agriculture and food.

Thus, the poor countries are helplessly witnessing the flight of capital towards the industrial poles controlled by these transnational companies, despite all the measures they have had to take with a view to liberalizing and guaranteeing investments. The classical notions of relative advantage and international division of labour have lost almost all their meaning.

How can we get out of this situation? What must we do to get out of it? Those are the fundamental questions that prompted the convening of the present eighteenth special session of the General Assembly on international economic co-operation. The fact that the international community as a whole is aware of the changes and transformations under way and of their severe effects on the poor

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countries is positive and salutary and reflects the qreat importance of the special session. It is clear that a lastinq solution can be achieved only by a combination of all these efforts: the efforts of States at the national and reqional levels and the efforts of the international community at various levels.

The developinq countries have taken many initiatives in the national context with a view to reducinq the imbalances in their economies. But these initiatives have been in vain. Those countries have also, at the reqional level, aqreed on directions and objectives and have buckled down to implementinq them. In reqard to Africa, we are pleased to refer to the Laqos Plan of Action and Final Act of April 1988, and Africa's Priority Proqramme for Economic Recovery 1986-1990. We are qrateful to the General Assembly for havinq endorsed the larqe majority of the relevant proposals of the Priority Proqramme by adoptinq, on 1 June 1986, the United Nations Proqramme of Action for African Economic Recovery and Development 1986-1990 at the end of its historic special session on the critical economic situation in Africa.

June 1986 to April 1990: we are at the end of this Proqramme of Action, which will be assessed durinq the forty-sixth session of the General Assembly. But we can already say that there has been no significant development that is likely to reverse the trend noted durinq the mid-term review of the Proqramme of Action - namely, that the expected results have not been attained.

The international community has also undertaken action through international co-operation. The positive measures that have been taken, often short term in nature, have somewhat attenuated the evil, but they have not been able to deal with it in all its scope, inasmuch as - except for a small number of countries, to which we aqain express all our qratitude - most of the industrialized countries have not been able to carry out the commitment they made two decades aqo to devote 0.7 per cent of their qross national product to official development assistance.

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The regression of the economies of the poor countries is becominq a lonq-term phenomenon, which a larqe number of those countries are facinq courageously and responsibly. For instance, my country, Benin, while pursuinq the implementation of the Structural Adjustment Programme has undertaken some siqnificant political chanqes in the direction of democratization and the real participation of the people in the country's development process and the choice of its kind of society.

Thus, once the adjustment machinery had been put into operation, we enqaqed in a process - which is continuinq - desiqned to democratize political life by the institution of a multi-party system, the creation of conditions for the promotion and respect of human riqhts and fundamental freedoms - in a word, the advent of a State based on the rule of law, in which the deep aspirations of the people will be met.

The Government of Benin thanks the friendly countries that have understood the importance of the chanqes under way and intend to lend their support and increase their contributions with a view to meetinq the immediate and urqent needs, consolidatinq the democratic experience and promotinq real, self-sustained development.

When we speak of meetinq the immediate needs, we have in mind a whole set of relief mechanisms to deal with the present disturbinq situation in the main social sectors - a situation caused by the requirements of the Structural Adjustment Proqramme: national education, public health, employment, nutrition, assistance to the most vulnerable social qroups.

The review of political and economic action with a view to readaptinq it to socio-economic constraints and to relaunchinq economic activity is beinq undertaken by my country and a larqe number of other African countries which sincerely hope that the international financial and monetary orqanizations, such as the

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International Monetary Fund (IMF) and the World Bank, will qo beyond their present requirements for adjustment to ensure financial and budqetary balance and will adopt new measures to replace those programmes with ones providinq for true recovery, accompanied by economic revitalization and lastinq development. In that reqard, the African Alternative Framework to Structural Adjustment Proqrammes for Socio-Economic Recovery and Transformation comprises a corpus of ideas and guidelines based on a logical analysis of Africa's critical situation that deserves the international community's attention, as the General Assembly stressed when it had concluded its consideration of this question at the end of last year.

Faced with the continuinq deterioration of the economies of the developinq countries, in particular the least developed ones, it would be highly desirable for us durinq this importance special session to undertake a reassessment of international co-operation that takes into account the deep chanqes under way, with a view to defininq new directions that could lead to lastinq solutions that would promote the economic revitalization and development of those countries.

To that end, it appears to me indispensable for the international community, in the final act that will crown the work of the present special session, to commit itself firmly to puttinq an end to the phenomenon of reqression and deterioration in the economies of the developinq countries, which have 75 per cent of the world's population, and to fosterinq the economic revitalization of those countries by contributinq to the buildinq of new bases for real, sustainable and self-maintained development. Relevant proposals have been submitted to us in the excellent document of the Group of 77 - and I am pleased to stress here the qreat importance of that document.

My delegation shares the conviction that, in addition to the strenqtheninq of earlier commitments, whose limits we all recoqnize, it would be desirable for more

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vigorous measures to be taken - measures that would reflect our awareness of the threats which weigh on more than two thirds of mankind and whose effects would spare no State.

These measures are, of course, diverse and varied. They could have various objectives: the mobilization of financial resources for the completion of the programmes adopted by the General Assembly; in Africa's case, for example, the United Nations Programme of Action for Africa's Economic Recovery and Development; various forms, financial and other, of support for the implementation of the relevant proposals contained in the African Alternative Framework to Structural Adjustment Programmes for Socio-Economic Recovery and Transformation; specific financial provisions to foster economic industrialization and diversification in the developing countries.

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There is also a need for effective support for market-organization efforts that take into account the interests of developing countries. There is need for financial support for education, health and culture to strengthen the socio-cultural base of those countries, which is the foundation of any real development.

All necessary arrangements should be made to restore health to the international economic environment by emphasizing financial stability, without which there can be no lasting solution to the problems that weigh so heavily on the developing countries.

It would be of benefit to all mankind if the industrialized countries, which totally dominate the world economy and which have hitherto played an essential role in its structuration, were to be more aware of the destructive consequences of some of the decisions they have taken on the situation in the developing countries, integrating the interests of the latter into their actions. At best, we should like to see a mechanism set up to provide for a collective and responsible management of the system of international relations during the future world dissemination of the co-operation now under way. The climate of international détente is a positive factor favouring such a goal. In the light of what I have said, co-operation, whether bilateral, regional or international, must also undergo necessary and essential changes in order to adapt to the present-day demands of a world that is going through profound changes.

I have just pointed out briefly a few points of concern to my country and to many other developing countries. I note that the international community is becoming increasingly aware that it is indeed a single unit which at the same time is quite diverse. We are most often aware of our common fate when we are confronted by threats: the nuclear threat we are frantically combating with

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disarmament and the threat of the destruction of our environment and climate that is qalvanizinq our enerqies to achieve ecoloqical balance; however, when it comes to underdevelopment and the spread of poverty, all mankind is facinq a threat that is far more danqerous and that has equally pernicious and destructive consequences.

Indeed, 5 million children die each year from malnutrition and various diseases. And need I mention the victims of famine, the refuqees and the others condemned by underdevelopment? For decades now, either throuqh the provisions of the United Nations Charter or throuqh other relevant documents of our Orqanization, we have continually reaffirmed our political determination to struqqle for development and, therefore, to fiqht underdevelopment. The very persistence of this threat reveals the half-hearted and insufficient means that have been mobilized so far to combat it, while it has just continued to intensify. Have we really yet appreciated all of its implications? We should like to express the hope that the special session of the General Assembly will take bold decisions that can enable us effectively to deal with the phenomenon of underdevelopment and that those decisions will lead to action.

Our common fate can qive rise to other feelinqs than the fear of danqer. We have the ability to build a new world of solidarity in which the rich countries would ensure that the least-endowed but far more numerous countries are able to enjoy a share in the patrimony of all mankind. My deleqation believes that the eiqhteenth special session of the General Assembly provides a qood opportunity to ensure that the international community embarks upon this safer road that will lead to qreater development and better lives for our peoples.

Mr. GONZALEZ PANTALEON (Dominican Republic) (interpretation from Spanish): Allow me first to join other deleqations in conqratulatinq the President on his election to quide the eiqhteenth special session of the General Assembly, devoted to international co-operation, in particular the revitalization of economic

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growth and development of the developing countries. His proven experience at both the forty-fourth session of the General Assembly and at its seventeenth special session, as well as during the debate that has taken place this week, guarantee that the eighteenth special session of the General Assembly will reach a satisfactory conclusion.

The delegation of the Dominican Republic would also like to take this opportunity to express its warmest congratulations to Namibia, the newest Member of the United Nations family. The persistence and tireless efforts of the United Nations have not been in vain. The heroic struggle of the Namibian people and the blood its sons have shed will forever be remembered.

In an increasingly interdependent world it is impossible to deny the internationalization of development problems and the social injustices perpetrated in war and peace. It would be historically blind to attempt to solve such problems in a bilateral rather a multilateral manner. Any country or group of countries that hopes to solve such problems through force, within a narrow bilateral framework or within a small group, will only aggravate them.

For that reason we consider the special session now taking place to be especially important. It can be a historic milestone in international relations. Such problems as nuclear war - the threat of such war appears to be fading, but the deadly tools needed to wage it still exist - and international debt, environmental pollution, the sharing of scientific and technological progress, trade barriers between countries, the trafficking in illegal drugs, adjustments in the exchange rates of various currencies and the abhorrent system of apartheid affect people everywhere in the world and can solved only if we respect their dimensions and adopt properly co-ordinated multilateral solutions.

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As a result of the austerity efforts exerted by the Government of our President, Mr. Joaquin Balaquer, our country's exports have increased in the past three years, and we have become one of the third world countries with an economic growth rate higher than the population growth rate in the same period. Also, we have one of the lowest rates of inflation among the countries regarded as least developed. Nevertheless, our country faces the same problems faced by most third world countries.

The external debt problem is a world-wide problem, in real terms and because of its effects. It is a political question without any precedents. It has repercussions on relations not only between debtors and creditors but also in the international community as a whole. It is, in the first place, one of the most serious internal problems confronting the third world countries. Obviously, however, it has become an urgent problem in international political relations, too - a problem requiring concerted action by the community of nations if we truly wish to avoid its unpredictable and unimaginable consequences.

North-South relations continue to predominate, although in certain cases the South-South approach has had a decisive effect on the development of our countries, especially the non-oil-producing ones.

In that context, the Uruguay Round of Multilateral Trade Negotiations should lead to countries' greater access to markets, with a view to promoting greater development. The negotiations on services, textiles and agriculture should serve as a basis for ensuring food supply in the future. The International Monetary Fund should provide the resources required to support our growth and should take advantage of present circumstances to ensure that its work will be noted and recognized by millions of human beings.

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The inequality between countries is obvious. The developed countries have greatly expanded their economies over the past seven years. However, their contribution to international economic co-operation in real terms has varied greatly from country to country, and occasionally there have been signs of stagnation. After more than a decade and a half, the only memory we still have of the sixth special session of the General Assembly, at which we adopted the Declaration and Programme of Action on the Establishment of a New International Economic Order, is a set of papers and documents that are now collecting dust in the archives. A tenuous economic "assistance" has resulted in a broad network of indebtedness, which is a great burden that the transnational financial circles have placed on us. The so-called new international economic order has not been achieved; indeed, it has even been flouted at times by the industrialized countries.

We must not harbour the illusion that these debts can be repaid merely as a result of internal efforts and austerity programmes. For, in the final analysis, such efforts and programmes lead only to more hunger, more suffering and more pain for our peoples.

What is essential, indispensible, urgent is a balanced effort to achieve international co-operation, if we wish really to tackle the debt problem. It must be an effort placed on many shoulders, not only the shoulders of the peoples. It must be an effort to find a final solution to the serious problems of debt and international trade, not merely to alleviate them.

We are faced with a challenge that cannot be avoided by any country or any individual. We must not think of it merely in terms of a given nation or a given continent. We must think in universal terms. Accordingly, the delegation of the Dominican Republic, in attending this special session, is confident that our

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deliberations will lead to areas of agreement that will, at the very least, serve as a basis for continuing our dialogue in the quest for social justice and a lasting peace, which in economic terms means development.

Mr. TREIKI (Libyan Arab Jamahiriya) (interpretation from Arabic): First of all, I take this opportunity to congratulate the President of this special session of the General Assembly. I also congratulate the delegation of Namibia on Namibia's admission to membership of the United Nations, and express our appreciation to the Secretary-General.

The convening of the special session on international economic co-operation comes at an opportune time. With the ending of the 1980s, a remarkable decade has come to a close. We are approaching the end of a century that has been unique in every way. Every day, the world is witnessing further relaxation in international tension, which raises hopes that the long-cherished dreams of mankind will finally be realized. There is also an increasing awareness that ours is a small planet where selfishness can lead to suicide, and that equitable co-operation and interdependence have become indispensable. This holds good for strong and weak, large and small, rich and poor. Perhaps for the first time, we are facing historic challenges of a universal nature: problems of the environment, narcotic drugs, weapons of mass destruction, epidemic disease and widespread unemployment, to cite just a few from a list that is growing longer every day.

Ours are indeed unique times which call for an approach that will enable mankind to rise above the evils afflicting the world, which have in some cases led to the eruption of destructive wars, to poverty, famine, disease and misery. At times we have come so close to the edge of the precipice.

Against such a background, the convening of the special session is indeed timely, necessary and appropriate.

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The decade of the 1980s is now over; it has become history. If we care about the future, we should take stock of the past without trepidation. Though it is always difficult to separate the economic from the non-economic, we should focus on the econmic issues facing us today. When we came out of the decade of the 1980s, the poor had become poorer and the rich richer; the developed world had amassed more riches while the conditions of the underdeveloped had deteriorated.

From the beginning to the end of the 1980s, per capita income in Africa, Latin America, the Caribbean and many parts of Asia, including oil-exporting countries, sustained negative growth rates. As is pointed out in the 1989 World Bank report, investment ratios in those countries declined so sharply that they are no longer sufficient to meet the current consumption rates. The debt burden of the developing countries now exceeds $1,000 billion, representing 50 per cent of those countries' aggregate gross national incomes combined. For most developing countries debt servicing now swallows up every effort towards development, killing every hope nurtured by those countries in the 1960s and the 1970s. Furthermore, we have left the 1980s with the prices of primary commodites 30 per cent lower than at the beginning of the decade.

Throughout the 1980s the economies of most developing countries were characterized by a balance-of-payments deficit and negative cash flow, not to mention natural disasters such as drought, desertification and plagues.

The net outcome of all these factors in the third world, especially in Africa, is greater suffering, hunger, poverty, disease and deterioration of social services and infrastructure, in addition to political and social instability.

But the 1980s were quite different for the industrialized countries, whose economies experienced sustained growth rates. In most cases, those countries

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managed to control inflation and reduce unemployment; they succeeded in establishing, expanding and strengthening new economic groupings that have enhanced their capacities to fulfil their aspirations to progress. Co-ordination among them continues to grow and is reflected in greater prosperity, stability and progress in all parts of the industrialized world.

Thus today we stand at the threshold of the twenty-first century ready to leave behind a century in which economic activity has grown by a factor of 10, the world's population has tripled and there have been fantastic technical achievements.

At the threshold of the twenty-first century, two thirds of the people of the world still suffer from poverty, and their future seems bleak, while the other third luxuriate in excessive prosperity and abundance. But whether rich or poor, developed or underdeveloped, we are all faced with the threat of a common danger.

The most serious threat to humanity as yet is this acute contradiction: maximum progress and prosperity on the one hand, and misery, suffering and backwardness on the other. The impact of this contradiction grows more intense with the increasing domination in international economic relations.

It is manifested in the imbalance in international economic relations, and it belies the improving political climate. How can we disregard the link between those two interrelated areas? While it would be unethical to confine the causes to that relationship, it would be intellectually unfair to ignore or deny its existence.

The Third Extraordinary Session of Heads of State and Government of the Organization of African Unity (OAU) unambiguously highlighted that link in its Declaration, which states:

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"We would like to recall that the economic backwardness witnessed by our continent today is only a direct result of colonialism, whose vestiges have not yet disappeared. We reaffirm that the responsibility for the development of the African continent lies primarily with us, the Governments and peoples."

The Declaration issued by the Ninth Conference of Heads of State or Government of the Movement of the Non-Aligned Countries reveals another aspect of the link between the situations of the developing and industrialized countries, as follows:

"The existing unjust system of international economic relations has contributed to the deepening of the imbalances and inequities in the world, thus adversely affecting the development of developing countries."

(A/44/551, p. 84)

We firmly believe that the rich developed countries have a moral responsibility towards the developing countries.

Let us look forward to the future we hope for - a prosperous, just, secure and peaceful future for all. Realization of this dream depends to a great extent on our ability to co-operate and to our awareness that the present imbalance in the world economy will not serve as a basis for international peace and security. That is self-evident. Rectification of that imbalance would create a favourable economic environment and address the urgent problems facing the developing countries, and enable them to revitalize and sustain real economic growth.

If the deterioration experienced by most developing countries in the 1980s continues in this decade, there will be disastrous consequences for all.

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To begin with, the debt problem of the third world should be seriously addressed, and there should be no attempts to use its plight to impose any kind of economic system in disregard of the political, cultural, social and economic realities of the developing countries. Some indebted countries are being blackmailed, which at the very least is immoral.

The debt problem should be addressed urgently and responsibly. Consideration should also be given to the question of financial flows to the developing countries, since it is closely linked to the problems of debt, commodity prices and international trade.

In the Libyan Arab Jamahiriya, we have special experience in this regard. A few years ago we started to establish joint ventures, first in Africa, then in Asia and Latin Amewrica. These projects, financed by joint capital, have been seeking to replace indebtedness with a new system of co-operation. Until now we have succeeded in setting up more than 130 such ventures and joint development banks in the three continents. Despite the modest volume of these funds in comparison with international indebtedness, we consider this a breakthrough that has borne fruit in many regions of the world.

What is needed is the development of co-operation among ourselves, both regionally and collectively at the international level. It is noteworthy that the encouraging growth rates achieved by some of our groups over the last decade were accompanied by a parallel increase in co-operation between them.

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We of the third world must reject economic dependence: our experience is highly significant in this context. We should be aware that whatever the price we pay over the short term for rejecting economic dependence, it will be far less than that we will have to pay in the long run if we accept dependence. In fact, many formulas proposed under the banner of co-operation and assistance aim at consecrating such dependence and exploitation.

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There is great apprehension that some will view the economic and political developments in certain countries as a kind of bloodless victory. But such a "victory" would not have come about without their persistent confrontational behaviour. Their sole concern in coming decades will be to foster such developments in order to reformulate those countries' political and economic systems. That will only deepen the rift between the North and the South and widen the gap between rich and poor.

There is also concern at the emergence of economic mega-Powers which have achieved their prosperity through protectionism. Were such behaviour to prevail and be promoted, it would add to the difficulties hampering international co-operation and stifling the chances of revitalizing economic growth and development.

We hope that those apprehensions and concerns are without foundation.

My country sincerely believes in international co-operation and holds that it must succeed, not only to meet mankind's aspiration to prosperity, security and peace, but also to ward off the real dangers that threaten nature: the Earth's environmental problems.

That this session coincides with Earth Day demonstrations throughout the world give us reason to hope. The great attention rightly accorded in the rich countries to those demonstrations prompts me to cite a great third world leader, who said, "Poverty is the worst kind of environmental pollution".

The priorities of countries differ. The priorities of developing States differ further from those of industrialized States. The priorities of developing nations are to secure sustenance, basic health care, food and education. Thus our approach to problems differs, inasmuch as our needs do. But we must realize that the problem we face is one and the same. The world cannot enjoy peace and security

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if it remains divided into the haves and the have-nots. We call on the industrialized nations to give serious and unselfish thought to tackling the economic problems facing the world today. The debt problem comes at the top of the list. Serious consideration should be given to the prices of the primary commodities produced by the developing countries. Those prices should keep pace with the rising cost to the developing world of manufactured goods produced by the industrialized countries.

Resolving those problems requires mutual sacrifices, not the imposition of political and social terms, with a view to changing the political and social systems of States. Nor can that be achieved by teaching theoretical - and perhaps unrealistic - lessons in the spheres of economics and political systems. Adoption of the multi-party system, for example, as some demand may be important, but it will not solve the debt problem or feed the hungry in their millions.

The world should seize the historic opportunity provided by international détente to curb the arms race and allocate part of the resources thus released to addressing international economic problems. Major industrialized countries should help stop regional wars and solve regional problems, which deplete most of the income of developing countries that have been turned into testing grounds for lethal weapons and highly technical experiments.

In saying that we do not mean to place all the blame on the developed States, for it is our joint responsibility. We cannot deny that developing States face their own problems caused by mismanagement, corruption, wrongly chosen priorities and wastage of funds on unproductive projects. We must not ignore that group of problems.

Mr. BORG OLIVIER (Malta): At the outset I should like, on behalf of my Government, to convey our warm felicitations to His Excellency Major-General Joseph Garba on his election as President of the eighteenth special session of the General Assembly. It gives my delegation great pleasure to see him presiding once again over our deliberations as he has done so ably during the forty-fourth session and at the two special sessions that preceded this one.

This special session was convened to discharge an important responsibility: to enhance international economic co-operation, focusing in particular on the revitalization of economic growth and development of developing countries. Political developments in Namibia made it possible for this special session to assume another very important responsibility: the admission of independent Namibia as a Member of the United Nations. That responsibility was discharged at the opening meeting of this session, and even at this late juncture I wish to express my Government's immense satisfaction and pleasure at seeing Namibia seated among us as the 160th Member of the United Nations. We extend a warm welcome to the Government and the people of Namibia.

Our resolve and determination to achieve a successful outcome in respect of the primary responsibility assigned to the session - enhancing international economic co-operation - must be no less. It is a moral imperative, and the opportunities now available at a time of breathtaking change in our world cannot be missed.

I speak at this special session of the General Assembly to join the many eloquent speakers who have preceded me in stressing the urgent need for revitalization of the world economy for the benefit of all countries, and particularly the developing countries.

(Mr. Borg Olivier, Malta)

The fact that this special session had to be convened is in itself a clear indication that past efforts to narrow the gap between developing and developed countries have not produced the results the former had hoped for.

Our deliberations are taking place at a time when international political tension has been relaxed and it is possible for the international community to devote more attention to enhancing international economic co-operation. It is appropriate and most timely that we should do so with renewed determination at the beginning of this new and exciting decade.

In our opinion it is necessary that we review our past performance and try to evaluate why we did not succeed so as to avoid making the same mistakes, and attempt a different approach to the complex problems that exist. Different attitudes and perceptions of developed and developing countries are perhaps part of the problem.

The developed countries have the greater potential to be the more generous partner in the exercise of economic co-operation with the developing ones. That is not without self-benefit, because it is generally accepted that a more developed world community stands to benefit all of us. By and large, developed countries have evinced a willingness to assist in the development of less affluent countries, but at times that assistance has strings attached to it which, in spite of good or understandable intentions, militate against the achievement of optimal and paramount results.

Besides, it should be equally understandable that recipients of assistance are jealous of their sovereignty and tend to resist interference in their affairs. On the other hand, we should acknowledge that donors have a legitimate interest in being satisfied that the resources they are making available to others will be put to the best possible use for the benefit of the people of the countries receiving their assistance.

(Mr. Borg Olivier, Malta)

Meeting the needs of donors and recipients, as well as of several countries in different levels of development, is by no means an easy task. We have yet to find the optimal path leading to the common management of our global economic resources.

Before I proceed further, I must give credit to the Secretary-General for his report to the Preparatory Committee on the state of international economic co-operation and effective ways and means of revitalizing the economic growth and development of developing countries (A/AC.233/5). This very clear report renders our deliberations here much easier.

(Mr. Borg Olivier, Malta)

As so many learned speakers have already made their statements, I am left with very little to add to what has already been said and needed to be said. In those circumstances, in an effort not to repeat what others have said so well, I shall comment briefly on the well-known traditional factors of production - land, labour, capital and entrepreneurship - in the light of recent experience.

Experience has shown that it is no longer possible to exploit the resources of our planet without taking fully into account the impact on our environment. In the past there was not sufficient awareness that certain patterns of consumption and production could lead to environmental degradation.

Now that we realize that we need to protect our common environmental heritage, both the developed and the developing countries have embarked on a path that we hope will lead us to forge an acceptable pattern of sustainable development without causing any further damage to our environment. The process leading to the Conference on Environment and Development in 1992 has already begun, and it is there that the concept of sustainable development will be examined in all its aspects. I simply wish to highlight one area of international developmental co-operation that will obviously appear in one form or another in the forthcoming discussions on environment and development.

In economic theory and cost-benefit analysis there is a whole series of studies and models on externalities or "unpriced goods or bads that accrue to third parties". My delegation believes that it might be useful if economic studies concerning the environment could be revised to take into account the current knowledge and developments on that subject. In that way, along with legal and institutional considerations, we could also have more reliable scientific information on the economic impact of the protection of the environment. Ultimately, trade-offs will have to be made, and one of the problems we shall have

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to solve will be how to internalize the costs of protecting the environment from further degradation. One way of gauging the success of our current efforts for sound international economic co-operation is going to be how far we shall succeed in sharing the relevant costs in an equitable manner without expecting the developing countries to bear the brunt of such costs or to have to contend with new forms of conditionality.

When it comes to labour and entrepreneurship, we need to assess the quality of human-resource development. In that respect, too, the gap between the developed and the developing countries has tended to widen and not narrow, in spite of some improvements in a number of developing countries. The discussion on "development with a human face" is appealing and may have gained some ground in developed countries. Still, we are very far from the implementation of true development "with body and soul" for large sectors of the population in the least developed countries and low-income countries. The need to eradicate poverty, hunger and malnutrition is felt as strongly as ever.

We agree that, as a result of the reduction of international political tensions, resources could be reallocated from defence expenditures to the social sector. In that respect, we should look not only towards the powerful developed countries but also to developing countries that still allocate a very high share of their resources to defence expenditure. Therefore the international community should continue to strive to resolve regional conflicts and concentrate more on social and economic development. There is a long way to go in social development. While many developed countries are moving from the welfare State to a welfare society, most developing countries are still considering the setting up of a welfare State as a remote objective. There may well be a case for avoiding the pitfalls generally associated with wasteful State over-involvement.

(Mr. Borg Olivier, Malta)

In the case of entrepreneurship, the problem of insufficient resources is also felt by middle-income developing countries, and further international economic co-operation in that field is called for. Various schemes and projects are already being implemented within the United Nations system, but more needs to be done if we truly believe that developing countries ought to be able to sustain their own growth and development. What is needed is the right atmosphere in which entrepreneurship can flourish and the technical assistance that will help to develop the potential.

The problems associated with the use or misuse of capital, be they financial or technological, are clearly reflected in the attention devoted to it by the Secretary-General in his report in the section on revitalizing development.

International trade has undoubtedly improved the economic well-being of developing countries. However, in recent years we have witnessed different forms of protectionism which tend to undermine the fundamental role that international trade plays in the development process. It is therefore of paramount importance, particularly for the developing countries, that the ongoing Uruguay Round multilateral trade negotiations should be brought to a successful conclusion.

The debt problem has become an insurmountable obstacle for many developing countries, and notwithstanding the various proposals made and initiatives taken, those countries are still finding it extremely difficult to extricate themselves from their precarious financial situation, which is seriously hampering their efforts for economic growth. Moreover, as a result of it, we are witnessing the net transfer of resources from the developing to the developed countries. That problem needs to be tackled with greater boldness and imagination, and the aim should be twofold: first, to make it possible for those countries to extricate themselves from the vicious hold that debt has on their development, and secondly,

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to ensure that the alarming situation we now face will not be allowed to recur in the future.

A number of speakers have addressed various issues, including the decline of commodity prices, high interest rates, the agreed levels of official development assistance, the decline in investment and the current direction of international financial flows. Those issues are also identified in the documentation prepared for this session by the Secretariat. I need not take up the Assembly's precious time by elaborating further on them. What is important is that the problems should be identified, and that has, in our view, been achieved within the United Nations and within the international community.

From that point, we must proceed to make a serious and determined effort to find the solutions. That will require substantial technical and financial resources, and it is there that that real challenge lies. The opportunity clearly exists now for increased co-operation free from ideological distractions. There is also encouraging evidence of sufficient political will and determination to achieve real progress on all sides. Let us therefore move forward with courage and confidence and lay the foundation for a constructive and productive dialogue that will create the required institutional support internationally to complement and encourage sound and efficient national policies. The new climate in international relations and the awareness of environmental degradation offer new opportunities and a new impetus for international economic co-operation.

History has demonstrated in recent years that our efforts will be successful if their centre-piece is paramount respect for the dignity and well-being of the human person and development of the full potential of the individual. Now that an era of sterile and unproductive debate is coming to an end, it is possible to address the major challenges of the 1990s and beyond, which so many speakers before me have so eloquently described.

(Mr. Borg Olivier, Malta)

My Prime Minister had occasion to recall at an international conference convened at Bologna, Italy on 9 March 1990, concerning the North-South problem, that the geographic position of Malta at the crossroads between East and West (a division which has begun to fade) and between North and South (which unfortunately is becoming more pronounced) makes us particularly sensitive to the widening gap between the developed and the developing countries.

It is true that, economically speaking, Malta falls somewhere between the developed and the developing countries. We have heard a lot this week from the developed countries about the need for developing countries to establish sound domestic policies. My Government has been doing just that during the past few years, consolidating and strengthening our democratic institutions, emphasizing individual initiative, and creating appropriate incentives for private-sector involvement. As a result, Malta's economy has made considerable progress. Ironically, as a result of the efficient way in which we have handled our very limited resources, we are approaching the point where are in danger of becoming ineligible for small amounts of multilateral financial assistance on which we have counted until now. We sincerely hope that that undesirable outcome will not materialize in the forthcoming negotiations and deliberations on the Indicative Planning Figures in relation to the fifth Programming Cycle of the United Nations Development Programme.

(Mr. Borg Olivier, Malta)

It is my delegation's belief that the criteria for international development assistance should be reassessed and particular cases like Malta's should be taken into account. In any case, we believe that the international community should encourage and give incentives to those developing countries that handle their domestic affairs with efficiency on the basis of sound national policies. All this emphasis on the need to adopt the right domestic policies would be nothing but rhetoric if those developing countries that do their best to improve their own economic performance find that, having made enormous efforts, they are suddenly deprived of international support to sustain the progress achieved.

I should like at this point to draw attention to the forthcoming meeting of governmental experts of island developing countries and donor countries and organizations to be held at New York from 25 to 29 June 1990. This meeting is being convened pursuant to General Assembly resolution 43/189 to review the problems of island developing countries and to propose appropriate concrete action with respect to those countries. We appeal to all concerned to ensure that the meeting will have a successful outcome.

Let me conclude by making reference to the Declaration annexed to resolution 44/19 adopted by the General Assembly at its forty-fourth session in connection with the twenty-fifth anniversary of the United Nations Conference on Trade and Development. Paragraph 2 of the Declaration states:

"... a basis and an urgent need exist for concerted national and multilateral action to attack the obstacles to a healthy, secure and equitable world economy. These obstacles will not be overcome by spontaneous economic forces alone. At both the national and international levels, access to opportunities for the generation of wealth and income should be broadened, within a

(Mr. Borg Olivier, Malta)

framework of rules and co-operative arrangements, based on consensus. All countries are responsible for contributing to the required action in accordance with their capacities and economic weights." (resolution 44/19, annex, para. 2)

I also wish to quote paragraph 5 of the same Declaration, which reads:

"The future of the world economy and of international economic co-operation will be increasingly shaped by the exploration of different ways of integrating the pursuit of economic efficiency with broader national and international development objectives. While there is no universal criterion for determining the proper mix of economic management tools for stimulating economic growth and development, and a range of approaches and measures appropriate to particular situations are being applied, it is noted that more countries in all parts of the world are making use of market signals and competitiveness in promoting entrepreneurial initiative and in optimizing the contributions of the public and private sectors. A related factor will be the promotion of approaches to growth that would encourage sustainable development, responding to the needs of present and future generations of humanity." (ibid, para. 5)

In my view, these two paragraphs of the Declaration encapsulate in clear terms the aims and objectives of the special session.

The PRESIDENT: In accordance with the decision taken by the General Assembly at its first plenary meeting, held on 23 April 1990, I now call upon the Chairman of the Permanent Observer Mission of the Holy See to the United Nations, Archbishop Renato Raffaele Martino.

Archbishop MARTINO (Holy See): May I be allowed to preface my words with a cordial salute and a very warm welcome to the newest member of the Assembly, the Republic of Namibia, to which the Holy See delegation wishes to renew the felicitations and best wishes for prosperity expressed by Pope John Paul II in his message to President Nujoma on the historic date of Namibia's independence. May God guide Namibia on the path of justice and peace!

I also want to extend sincere congratulations to Ambassador Joseph N. Garba upon his election to the presidency of the General Assembly at its eighteenth special session. His wisdom and diplomatic skills, so deservedly esteemed by the Assembly, enhance the promise for the success of the session.

The Holy See gratefully welcomes this opportunity to address the General Assembly. While taking attentive and respectful note of all the observations, suggestions and proposals which have been made by competent experts in the technical fields of economic co-operation, the Holy See wishes to offer once again for the reflection of all persons of good will some of its deep convictions with regard to the problems of co-operation and development.

The Holy See believes that there is a fundamental ethical dimension to all the issues confronting mankind, a dimension that never lessens the need and importance of technical and practical answers to the problems but, to the contrary, gives paramount urgency to the need and provides the ultimate test to the validity of the solutions. Such ethical dimension stems from the primacy of the human person, whose rights and dignity must precede all other considerations.

Often in the course of the present debate, it has been gratifying to hear the recurring references of many distinguished orators to the total dimensions of development, based on the nature and dignity of the human being. Indeed, authentic development must have a true human face.

(Archbishop Martino, Holy See)

Human nature shows that development is first of all a duty that every person and every society has the obligation to fulfil. Each individual has the responsibility of seeking, to the very best of his ability, its integral development. As for societies, in the words of Pope John Paul II:

"The development of peoples begins and is most appropriately accomplished in the dedication of each people to its own development, in collaboration with others." (Sollicitudo Rei Socialis, No. 44)

Development is also a right, demanding that all possible obstacles should be removed from its path and that all available assistance should be accorded to its process. In the microcosm of the family, the infant, even before birth, has the right to receive such protection through the care of the parents and the solidarity of other family members. In the macrocosm of nations, each society, especially the weakest, has a rightful claim to protection from harm and to adequate assistance in fulfilling its obligation to develop for the well-being of all its members.

My delegation is confident that these principles are generally accepted and shared by everyone. But problems do arise in their practical application, with all the factors and nuances that accompany different situations. The optimism, however measured, of a few decades ago has faded of late, and political, economic and social events, compounded at times by grave natural disasters, have reduced or even halted the anticipated pace of development in many parts of the world.

(Archbishop Martino, Holy See)

Pope John Paul II recently stated at Ouagadougou:

"Millions of men, women and children are threatened with never enjoying good health, with never being able to live with dignity from their work, with never receiving the education which will develop their minds, with seeing their environment become hostile and sterile, with losing the wealth of their ancestral patrimony, all the while being deprived of the positive supports of science and technology."

The economic, social and human costs of external indebtedness, in particular, have brought whole countries to the brink of breakdown. Neither the creditor countries nor the debtor countries have anything to gain from situations of despair that would be uncontrollable. Justice and the interests of all demand that remedies should be found, taking into account not just the economic and monetary aspects of such situations but also their political, social and human dimensions.

On the specific question of indebtedness, which so many of the speakers at this special session have addressed, the Pontifical Council for Justice and Peace produced, on 27 December 1986, a document entitled "At the Service of the Human Community: An Ethical Approach to the International Debt Question", later published also as an official document of the United Nations General Assembly, document A/42/157, of 27 February 1987. One hopes that the ethical reflections contained in that document will continue to guide creditor and debtor countries in their search for a just solution to the grave problem.

Pope John Paul II has not hesitated to call "attitudes of sin" the all-consuming desire for profit and the thirst for power, which can tempt individuals as well as nations to seek their advantage "at any price", disregarding basic obligations of equity and solidarity.

(Archbishop Martino, Holy See)

In the early part of this year, Pope John Paul II made a pastoral visit to five developing countries of Western Africa: Cape Verde, Guinea-Bissau, Mali, Burkina Faso and Chad. Gleaning from his many addresses, I should like to offer for the reflection of members some of the salient references of the Pope to the theme of development.

At Praia and Bamako he said:

"Life is a call to freedom, and consequently the human person must be the origin and aim of all economic and social development."

At Ouagadougou the Pope said:

"Development is the fruit of justice, peace and solidarity" and "real development can be encouraged only through trusting relations among partners. We share more than merchandise. People also exchange knowledge and scientific research; they respect each other's tradition and riches; and they help those who previously had been receiving advice, to take charge themselves. That is how development can become a truly human and social undertaking."

At Ilha do Sal the Pope called for "an authentic development, through a solidarity which leads to brotherhood and is based on the rights and fundamental freedoms which are inseparable from human dignity."

At Bissau the Pope said:

"In a society enlightened by the primacy of the human person, the harmonious growth of each person, in his corporal and spiritual dimensions, requires that the educational processes work towards humanization" - and that instruction - "never disconnected from a global and well-rounded education", will not result "in frustrating the students, and especially the teenagers, transforming them into 'objects', into a limitless system of production, for the purpose of serving only the might of the nation or private consumption."

(Archbishop Martino, Holy See)

At Ouagadougou the Pope said:

"Priority must be given to the promoting and training of persons who place themselves at the service of their country and of their brothers and sisters, without any discrimination, in a spirit of integral, unified human advancement.

"How would history judge a generation which had all the means to feed the population of the planet, yet, with fratricidal indifference, would refuse to do so?"

My delegation has followed with great interest the preparatory stages of this special session and the current high-level debate. It now looks forward, with anticipation and confidence, to the adoption and application of just and generous measures that will indeed revitalize economic growth toward a fully human development in the emerging countries.

The world has changed and is changing before our eyes at an astonishing pace. What is urgently needed is a large measure of courageous creativity that will dare to go beyond old schemes and revise old textbooks. Can one remain indifferent when one sees, for instance, some young people in affluent countries grow bored with expensive amusements, while millions of their peers look desperately for ways to be educated, to find work, to start a family, even to survive, and they find none?

In conclusion, may I be allowed to quote once again the words of Pope John Paul II in his Encyclical Letter Sollicitudo Rei Socialis:

"Solidarity is not a feeling of vague compassion or shallow distress at the misfortunes of many people, both near and far. On the contrary, it is a firm and persevering determination to commit oneself to the common good: that is to say, to the good of all and of each individual, because we are really responsible for all."

The meeting rose at 8.30 p.m.